



TEXAS DEPARTMENT OF HEALTH
Bureau of Community Oriented Public Health

REQUEST FOR PROPOSALS

for

PRIMARY HEALTH CARE PROGRAM

September 1, 2000 through August 31, 2001

CONTINUATION PHC CONTRACTORS ONLY MAY APPLY

Application Due: April 19, 2000

Walter D. Wilkerson Jr., M.D. Chair, Texas Board of Health	William R. Archer III, M.D. Commissioner of Health
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I. INTRODUCTION

The Texas Department of Health (TDH) Primary Health Care (PHC) Program announces the expected availability of fiscal year (FY) 2001 General Revenue to provide opportunities to communities to identify, design and implement comprehensive, preventive and primary care services for medically indigent persons.

This Request for Proposal (RFP) contains the requirements that all applicants must meet to be considered for funding. Failure to conform with these requirements may result in disqualification of the applicant without further consideration. Each applicant is solely responsible for the preparation and submission of an application in accordance with instructions contained in this RFP.

The response to this RFP must be arranged in the order described in **SECTION VI. APPLICATION CONTENT**. Failure to arrange the application as described may result in disqualification. Clear and concise application content is emphasized and encouraged. Vague and general applications will be considered non-responsive and may result in disqualification. Before completing the application, refer to any relevant program standards provided in **SECTION II. PROGRAM INFORMATION**. Other sections within the RFP may contain additional instructions pertaining to unique program requirements set forth in legislation or regulations.

PLEASE READ ALL MATERIALS BEFORE PREPARING THE APPLICATION.

A. Eligible Applicants

Applicants for this Primary Health Care Fiscal Year 2001 proposal must be current Fiscal Year 2000 PHC contractors in good standing.

B. Project and Budget Periods

The budget period for applications for continuing PHC contractors under this RFP is September 1, 2000 through August 31, 2001.

C. Availability of Funds

Contractors/applicants may apply for the maximum of their FY 00 amount as stated in the cover letter. This amount may be reduced by the program subsequent to the submission of the applications, depending on Departmental and/or legislative initiatives and decisions.

D. Use of Funds

Funds are awarded for a specifically-defined purpose and may not be used for any other project. Funds may be used to support services which are provided. Funds may not be used to supplant local or state funds directly or by subcontract and referral.

E. Schedule of Events

1. Issuance of RFP March 15, 2000
2. Deadline for Submission of Applications April 19, 2000
3. Written Notification to Applicants June 1, 2000
4. Contract Development & Execution June 19, 2000 - August 31, 2000
5. Estimated Contract Begin Date September 01, 2000

F. Program Contact

For purposes of addressing questions concerning this RFP, the sole contact will be with Vickie Coy. Upon issuance of this RFP, other employees and representatives of TDH will not answer questions or otherwise discuss the contents of the RFP with any potential applicants or their representatives. Failure to observe this restriction may result in disqualification of any subsequent proposal. This restriction does not preclude discussions between affected parties for the purpose of conducting business unrelated to this RFP.

TDH, Primary Health Care Program, is the sole point of contact with regard to all procurement and contractual matters relating to the services described herein. TDH, Primary Health Care Program, is the only office authorized to clarify, modify, amend, alter, or withdraw the project requirements, terms, and conditions of this RFP and any contract awarded as a result of this RFP. All communications concerning this RFP must be addressed in writing by fax or letter (e-mails and phone calls are not acceptable) to:

Vickie Coy, Primary Health Care Program
Bureau of Community Oriented Public Health
Texas Department of Health
1100 West 49th Street, Room M-555
Austin, Texas 78756
FAX (512) 458-7235

Written inquiries concerning this RFP must be received no later than 5:00 P.M. on April 7, 2000. Responses to inquiries of a general nature will be distributed to each organization that received a copy of this RFP. Responses to inquiries of a specific nature will be provided only to the requestor. TDH will be the sole judge of whether a request is of a general or specific nature.

II. PROGRAM INFORMATION

A. General Purpose and Program Goals

The Primary Health Care Program (PHC) is one of the program areas within the Bureau of Community Oriented Public Health (COPH). Within the overall context and mission of COPH, PHC is the funding arm for contractor implementation. The goal of PHC is to enable communities to identify, design and implement comprehensive preventive and primary care services for medically indigent persons in communities across Texas. As much as possible, the needs of the indigent should be integrated into the vision of health for the community. Through contracts with local entities, PHC provides limited funding to leverage other federal, state and local resources toward the development of a coordinated local health and human services system.

Specifically, PHC uses three major strategies:

- to catalyze the development or enhancement of the local health and human services system;
- to stabilize and build local provider capacity; and
- to increase the availability and accessibility of health care services to the medically indigent people of Texas.

B. Program Legal Authority

The statutory authority for PHC is the Primary Health Care Services Act of 1985, Chapter 31 of the Health and Safety Code. This Act delineates the population, general eligibility, reporting and coordination elements required for PHC. Within the broad context of COPH, PHC must be implemented in accordance with this statute.

C. Program Requirements

All selected applicants will be required to conduct project activities in accordance with Quality Care: Client Services Standards for Public Health and Community Clinics as well as other TDH standards and guidelines that apply to the types of services provided to PHC clients. These standards and guidelines include, but are not limited to, the following: Family Planning Standards; Child/Adolescent Health Guidelines, and the THSteps Program requirements in the Medicaid Provider Procedure Manual; Ambulatory Maternity Program Standards; Minimum Standards for Diabetes Care in Texas; Immunization Guidelines; Targeted Case Management Standards and Primary Health Care guidelines. The contractor should also follow appropriate national standards such as the American Academy of Pediatrics Guidelines for Health Supervision, Bright Futures, and the American College of Obstetrics and Gynecology. Services must be provided by the appropriate level of staff according to level of licensure, certification, training, and experience. To obtain a copy of the document Quality Care: Client Services Standards for Public Health and Community Clinics, contact the TDH Program at the address or telephone number listed in the Program Contact section of this RFP or contact TDH Public Health Nursing at (512) 457-7773. An additional source of information you may choose to utilize is Clinicians Handbook of Preventive Services (U.S. Dept. Of Health and Human Services).

III. APPLICATION DEADLINE AND SUBMISSION

A. Application Deadline

The applicant must be received by on or before the following date and time: 5:00 P.M. April 19, 2000.

B. Assembly and Submission

- 1. Assembly.** To facilitate review and processing of the applications, each application should have a table of contents and all pages should be clearly numbered. The original and each copy of the application must be submitted unbound. All materials must be: 1.) typed (computer or typewriter), 2.) single-spaced, 3.) 12-point font on 8 ½" x 11" paper with 1" margins, and 4.) printed on one side only. The blank forms provided in **SECTION VII. BLANK FORMS AND INSTRUCTIONS** must be used (electronic reproduction of the forms is acceptable). Completed applications must be signed in ink by an authorized official and submitted with the required number of copies.
- 2. Submission.** The original application (please mark) and 5 copies must be submitted to:

Texas Department of Health
ATTN: CONTRACT MANAGEMENT SECTION
1100 West 49th Street Room M370
Austin, Texas 78756-3199

One additional copy of the application must be submitted to the appropriate Public Health Regional CPH Coordinator:

Anthony W. Palasota, CPH Coordinator
Texas Department of Health, PHR 1
1109 Kemper
Lubbock, Texas 79403

Claudia Wilson, CPH Coordinator
Texas Department of Health, PHR 2/3
1351 E Bardin Rd
Arlington, Texas 76018

LaJuan Scott, Assistant CPH
Texas Department of Health, PHRs 4/5N
1517 W. Front St
Tyler, Texas 75702

Dr. Aftab Hashim, Associate Regional Director
Texas Department of Health, PHR 6/5S
5425 Polk Ave Ste J
Houston, Texas 77023-1497

Lisa McKamie, CPH Coordinator
Texas Department of Health, PHR 7
2408 S 37th St
Temple, Texas 76504-7168

William J. Lydon, CPH Coordinator
Texas Department of Health, PHR 8
7430 Louis Pasteur Dr
San Antonio, Texas 78229

Sharon Kay Rotan, CPH Coordinator
Texas Department of Health, PHR 9/10
1702 W. Ave N
San Angelo, Texas 76904

Lee Raymond, CPH Coordinator
Texas Department of Health, PHR 11
601 W Sesame Dr
Harlingen, Texas 78550

TDH will not accept applications by facsimile transmission.

Applications may be mailed or hand delivered to the TDH program and regional addresses above on or before the application deadline.

If an application is hand-delivered to the PHC program address above, be sure to request a receipt at the time of delivery to verify that the application was received by the appropriate program on or before the application due date and time.

IV. APPLICATION REVIEW, SELECTION & NEGOTIATION

Applications will be reviewed according to the criteria below. To maximize fairness for all applications during review, TDH staff may only confirm receipt of an application and are not permitted to discuss the application or its review during the review process. All applications will remain with TDH and will not be returned to the applicant.

A. Screening Applications

Applications are initially screened for eligibility and completeness. Applications that do not meet the requirements in this RFP may not be considered for review, and the applicant will be notified in writing.

B. Program Review Process

The Primary Health Care Program has established a review process.

RFP responses will face an initial review for completeness and timeliness. Please use the checklist provided and form instructions to ensure that you have submitted all forms required. Not all forms are required of each applicant. To maximize fairness during the review, TDH staff are not permitted to discuss the application during the review process with the applicant.

Applications are initially screened for eligibility and completeness using the minimum requirements stated in the RFP. These preliminary screening requirements will be strictly enforced. Applications which do not meet the following will not be considered in the competition for this RFP, and the applicant will be so informed:

- (1) Application shall be received by PHC on or before the Application Due Date and Time.
- (2) TDH must receive an unbound original and 5 unbound copies of the application in Austin and one copy must be received by the appropriate Public Health Region. The original must bear an original signature of the authorized official of the applicant organization on the cover sheet.
- (3) If applicable, the HUB Good Faith Effort form and supporting documentation must be included with the application.
- (4) TDH must receive the signed Assurances and Certifications forms (included in separate Contract Management packet.)
- (5) TDH must receive the signed Child Support Certification.

Applications will be reviewed by TDH Central Office Primary Health Care Program, and the regional offices. The committee will make awards based upon the availability of funds and the quality of RFP responses.

C. Program Review

The Primary Health Care Program will review based on the following criteria:

Progress in FY00 and the plan for FY01 toward achievement or enhancement of preventive health services; status and activity level of the Community Advisory Committee; Community Development activities; Goals/ Objectives/Performance Measures; and Budget. Additionally, a contractor will be evaluated on the Quality Assurance reviews and follow-up, as well as overall project performance including meeting program requirements.

D. Selection and Negotiation

Once award decisions are made, PHC Program is responsible for negotiating contracts to obtain the needed client services within the framework of the goals of the program and the funds available. As funds are never unlimited, it is expected that the applicant(s) selected for contract awards may be asked to revise their budgets, as well as the goals and objectives, of their proposals in order to achieve the PHC Program's goals within available funding limits. This process is commonly referred to as contract negotiation. Applicants shall submit written revisions reflecting negotiated changes. Once the contract negotiation process is complete, the PHC Program will initiate the development of a contract.

Each applicant whose proposal is selected for a contract shall receive to written notification. This notice is an announcement of selection, and the receipt of the notice is not legally binding until there is a fully-executed contract.

Each applicant not selected for a contract shall receive to a timely written notification that its proposal will not be funded.

V. TDH ADMINISTRATIVE INFORMATION

A. Incurring Costs and Rejection of Applications

Any costs incurred in the preparation of the application shall be borne by the applicant and are not allowable costs. TDH reserves the right to reject any or all applications and is not liable for any costs incurred by the applicant in the development, submission, or review of the application.

B. Right to Amend or Withdraw RFP

TDH reserves the right to alter, amend, or modify any provisions of this RFP or to

withdraw this RFP at any time prior to the execution of a contract pursuant thereto if it is in the best interest of TDH and the State of Texas. The decision of TDH will be administratively final in this regard.

C. Financial and Administrative Requirements

All current contractors and/or selected applicants administering two or more TDH contract attachments are required to maintain integrity between the transactions affecting each contract attachment by: (1) maintaining a completely separate set of records for each contract attachment; or (2) establishing within the chart of accounts and general ledger a separate set of accounts for each contract attachment.

The applicant is encouraged to secure additional funds from other sources as necessary to strengthen the overall application.

D. Authority to Bind TDH

The Commissioner of Health, or the Chief, Bureau of Financial Services (or a designee), are the only individuals who may legally commit TDH to the expenditure of public funds. No costs chargeable to the proposed contract may be reimbursed before TDH receives a fully-executed contract.

E. Contracting with Subrecipients and Vendors

The selected applicant may enter into grant contracts with subrecipients or procurement contracts with vendors. Applicant will be responsible to TDH for the performance of any subrecipient or vendor.

If the applicant enters into grant contracts with subrecipients or procurement contracts with vendors, the documents will be in writing and will comply with the requirements specified in the Contracts with Subrecipients and Contracts for Procurement articles in the General Provisions for Texas Department of Health Grant Contracts (see **APPENDIX A: Sample General Provisions, Texas Department of Health Contracts**, 2000 version).

If an applicant plans to enter into a contract which delegates a substantial portion of the scope of the project i.e. \$25,000 or 25% of the applicant's funding request whichever is greater, the applicant must submit justification to TDH and receive prior written approval from TDH before entering into the contract.

F. Contract Information

After the application review process is completed, the final amount and terms of the contract shall be determined through negotiations between the TDH program and the applicant(s). The specific Scope of Work will be developed from information contained in the RFP and the application. TDH reserves the right to adjust the funding allocation during the term of the contract, pursuant to the terms of the contract. Any exceptions to

any of the requirements in the RFP must be specifically noted and satisfactorily explained by the applicant in the application as a condition for allowing those exceptions in the contract. TDH contract General Provisions are included as **APPENDIX A**.

G. Protest of Application or Bid Denial

TDH has established a procedure for dispute resolution for any applicant that has responded to a TDH client services RFP. An applicant may request review of a TDH action that denies the award of a contract for client services to that applicant after response to a TDH solicitation by following the procedures and time frames included in **APPENDIX B** which is TDH Executive Order 0110, Protest of Application or Bid Denial for Client Services Contract.

VI. APPLICATION CONTENT

Instructions for Preparation. The application must be developed and submitted in accordance with the instructions outlined in this section. The blank forms provided in **SECTION VII. BLANK FORMS AND INSTRUCTIONS** must be used. All pages of the application, including any attached documents, must be consecutively numbered. Failure to arrange the application as requested may result in disqualification of the application.

Specific instructions for each required section are provided. Additional instructions on completing forms are found either on the reverse side of the forms or on supplemental pages included in **SECTION VII. BLANK FORMS AND INSTRUCTIONS**. Forms may be electronically reproduced. However, all forms must be identical to the original form(s) provided.

Confidential Information. The applicant is responsible for clearly designating any portion(s) of this application that contains confidential information and stating the reasons the information should be designated as such. Marking the entire application as confidential shall neither be accepted nor honored. If any information is marked as confidential in the application, TDH shall determine whether it is an exception to the Public Information Act, Texas Government Code, Chapter 552, VTCA. If the Public Information Act includes an applicable exception, the information shall be forwarded to the Texas Attorney General along with a request for a ruling on its confidentiality. TDH will inform the applicant if a request is made for information. Applicants are advised to consult with their legal counsel regarding disclosure issues and to take the appropriate precautions to safeguard trade secrets or any other confidential information. Following the award of any contract, applications to this RFP are subject to release as public information unless any application or specific parts of any application can be shown to be exempt from disclosure under the Public Information Act, Chapter 552, Texas Government Code.

PLEASE ARRANGE THE APPLICATION IN THE FOLLOWING ORDER:

A. Face Page - Application for Financial Assistance

This form requests current basic information about the applicant and the project, including the signature of the authorized representative. The face page is the cover page of the application and must be completed in its entirety. Signature affirms that the facts contained in the applicant's response are truthful and that the applicant is in compliance with the assurances and certifications contained in the RFP and acknowledges that continued compliance is a condition for the award or continuation of a contract. Evidence of the person's authority to represent and sign for the applicant must be on file in the applicant's headquarters.

B. Application Checklist

This form is provided to ensure the application includes all of the information requested. The Application Checklist immediately follows the face page and must be completed.

C. Contact Person Information

This form provides information to TDH about the appropriate contact persons in the applicant's organization.

D. Work Plan and Performance Measures

1. Work Plan. Applicants should describe their plans for service delivery to the population in the proposed service area(s) and include time lines for accomplishments. The plan should address the needs and the problems identified in the community assessment for improving health status. The plan should:

- a. The project's Progress in FY00 in meeting goals and objectives outlined in your proposal.
- b. Summary of the community assessment, including the date it was completed
- c. Prioritized list of community needs and health indicators
- d. Data sources to be used to gather data to measure progress over a defined time period;
- e. Proposed services/activities that will lead to reaching the above objectives.
- f. Quality Assurance plan and processes that will enable you to meet standards and expectations;
- g. Description of coordination with other health and human service providers in the service area(s) and delineate how duplication of services is to be avoided; and
- h. Description of applicant's ability to provide services to culturally diverse populations (e.g., language translation, compliance with ADA requirements, and other means) to ensure accessibility for the defined population.

2. Performance Measure Requirements.

- a. List proposed goals addressing the identified needs (at least one need must be in the top three as prioritized above).
- b. List proposed measurable objectives, including baseline data, for each goal. Include the three levels of performance measurements (outcome, impact, and process). One process objective must include the target number of clients to be served during the fiscal year.

The proposed performance measures will be negotiated and agreed upon by applicant and TDH if applicant is selected to negotiate a contract.

Performance measures must be specific, measurable, time-phased, and feasible. Performance measures quantify program outcomes and process (outputs), the number of such outputs to be performed, and the efficiency with which they will be performed. Performance measures also define the applicant's obligations in order to meet their contract requirements.

Performance measures are defined as outcome, impact, and process. Outcomes are usually measured over a five to ten year period and addresses changes in health status and quality of life. Impact of a program may be measured over one-two year period and indicates changes in behavior or environment. Process evaluation addresses implementation of the program or service activities. It measures use of health services or other interventions that help achieve impact or outcome.

The following table provides a guide for development of the different types of performance measures:

<i>Type</i>	<i>Measure</i>	<i>Example</i>
Outcome	measures the public health benefit of an entity's actions	a. incidence of hypertension in the population b. incidence of diabetic complications
Impact	measures changes in knowledge or attitudes, a demonstration of new skill, or changes in behavior or environmental influences	a. % of clients sustaining normal blood pressure b. % of clients using ER for non-urgent medical care
Process	counts the services provided	a. # of clients screened eligible for services b. # of clients served c. # of health risk assessments performed d. Average cost per client served

E. Financial Information

Budget.

An accurate budget plan is essential to achieve the performance measures and work plan set out in the narrative portion of the application. All applicants must complete the Service Information/Populations I Costs form relating ONLY to PHC, the budget summary form and the detailed budget category forms which include space for a narrative justification for the budget request. Definitions of the cost categories and instructions for the forms are provided in SECTION VII. BLANK FORMS AND INSTRUCTIONS. Be sure to refer to SECTION I. Item D. Use of Funds for program-specific allowable and unallowable costs.

F. Other Required Forms and Documentation

The forms described in this section may be found in **SECTION VII. BLANK FORMS AND INSTRUCTIONS.**

1. Historically Underutilized Businesses (HUBs).

In accordance with Texas Government Code Title 10, Subtitle D, Chapter 2161 and 1 Texas Administrative Code (TAC), Sections 111.11-111.24, state agencies are required to make a good faith effort to assist HUBs in receiving contract awards issued by the state. The goal is to promote full and equal business opportunity for all businesses in contracting with the state. It is the intent of TDH that all TDH contractors make a good faith effort to subcontract with HUBs during the performance of the contract and to report their HUB subcontract activity to TDH on a quarterly basis.

If an application request will exceed \$100,000, there are specific good faith effort requirements that an applicant **must comply with as a condition of receiving a TDH contract award**. Copies of the applicable sections of TAC are available upon request.

Included in **SECTION VII. BLANK FORMS AND INSTRUCTIONS** is TDH's "Good Faith Effort Program/Client Services Form," as well as the quarterly reporting forms that are required if there are HUB subcontracting opportunities. The TDH HUB Program will review the required documentation and make any necessary follow-up contact with applicants.

All questions concerning HUBs and TDH's HUB Program should be directed to the TDH HUB Office Coordinator at 1-800-243-7487.

- 2. Child Support Regulations.** If the applicant is an individual or for-profit organization, a Child Support Certification must be completed. The form requires the name and social security number of the individual or sole proprietor, or each partner, shareholder, or owner with an ownership interest of at least 25 percent, and certifications and acknowledgment of responsibilities regarding delinquent child support obligor(s) as specified by Section 231.006, Family Code.
- 3. Disclosure of Lobbying Activities.** If application request exceeds \$100,000 this form must be completed to disclose lobbying activities pursuant to 31 U.S.C. Section 1352.
- 4. Nonprofit Board of Directors and Executive Director Assurances Form.** If the applicant is a nonprofit organization, this form must be completed (state or other governmental agencies are not required to complete the form). The purpose of the form is to inform nonprofit board members and officers of the responsibilities and administrative oversight requirements of nonprofit applicants intending to or contracting with TDH.
- 5. Administrative Information Form.** The administrative information form requests information regarding identification and contract history on the applicant, executive management, project management, governing board members and/or principal officers. Attach all required supplemental document behind this form.

6. **TDH Assurances and Certifications.** Assurances and Certifications required by federal/state law and TDH policy. Signature on the Face Page Form affirms that applicant is in compliance with the assurances and certifications contained in this RFP and acknowledges that continued compliance is a condition for the award or continuation of a contract.
7. **Program Assurances and Requirements.** Program rules and regulations are included in the Program Assurances Form.

VII. BLANK FORMS AND INSTRUCTIONS

Texas Department of Health

A. FACE PAGE - Application For Financial Assistance

1. APPLICANT INFORMATION

1A. Legal Name:

1B. Address (include Street & Mailing Addresses, City, County, State and Zip Code):

1C. PAYEE Name and Mailing Address (if different from Applicant):

1D. Federal Tax Identification No. or State of Texas Comptroller Vendor Identification No. (14 digit):

1E. Applicant's Legal Authority to Contract:

2. **TYPE OF ENTITY** (enter appropriate letter in box): **G** If response is F. or G., is entity a HUB? Yes/No_____

- | | | | | | |
|----|-----------------------------|----|---|----|-----------------------|
| A. | City | E. | Nonprofit Organization* | I. | Other (specify) _____ |
| B. | County | F. | Individual | | |
| C. | Other Political Subdivision | G. | For Profit Organization* | | |
| D. | State Agency | H. | State Controlled Institution of Higher Learning | | |

*If incorporated, provide 10-digit charter number assigned by the Secretary of State_____

3. PROPOSED BUDGET PERIOD: Start Date _____ End Date _____

4. COUNTIES AFFECTED BY PROJECT:

5. AMOUNT OF FUNDING REQUEST:

6. The facts affirmed by me in this application are truthful and I warrant that the applicant is in compliance with the assurances and certifications contained in this RFP. I understand that the truthfulness of the facts affirmed herein and the continuing compliance with these requirements are conditions precedent to the award or continuation of a contract. This document has been duly authorized by the governing body of the applicant and I (the person signing below) am authorized to represent the applicant.

6A. Typed Name & Title of Authorized Representative

6B. Telephone Number
()

6C. Signature of Authorized Representative

6D. Date

**Face Page - Application for Financial Assistance
Instructions**

This form provides information about the applicant and the proposed project with the Texas Department of Health (TDH). It is required to be completed and returned with the applicant's response to TDH's Request for Proposal. Please follow the instructions below to complete the face page form.

1. APPLICANT INFORMATION

- 1A. Enter the legal name of the applicant.
- 1B. Enter the applicant's complete street and mailing addresses, city, county, state, and zip code.
- 1C. Enter the PAYEE's name and mailing address if PAYEE is different from the applicant. The PAYEE is the corporation, entity or vendor who will be receiving payments.
- 1D. Enter the Federal Tax Identification Number (9-digits) or the Vendor Identification Number assigned by the State of Texas Comptroller (14-digits).
- 1E. Enter applicant's legal authority to contract. Examples of legal authority to contract include: 501(c)(3), Board resolution, letter of authority, sole proprietorship, partnership, statutory citation for a governmental entity (health department, local government, state agency, school district).

2. TYPE OF ENTITY

The type of entity is defined by the Secretary of State and/or the Texas State Comptroller. Enter the appropriate letter in the box provided. If the response is F. Individual or G. For Profit, applicant must also respond to the question is the entity a HUB (historically underutilized business)? HUB is defined as a corporation, sole proprietorship, or joint venture formed for the purpose of making a profit in which at least 51% of all classes of the shares of stock or other equitable securities are owned by one or more persons who have been historically underutilized (socially disadvantaged) because of their identification as members of certain groups: Black American, Hispanic American, Asian Pacific American, Native American, and Women. The HUB must be certified by the General Services Commission or another entity.

If a Non-Profit Corporation or For-Profit Corporations, provide the 10-digit charter number assigned by the Secretary of State.

3. PROPOSED PROJECT PERIOD

Enter budget period for this application. For purposes of this form, the budget period is defined as the period of time to be funded by a TDH contract.

4. COUNTIES AFFECTED BY PROJECT

List the counties that are affected by the project.

5. AMOUNT OF FUNDING REQUEST

Enter the amount requested from TDH for the proposed budget period.

6. NOTE: Keep on file at the applicant's headquarters evidence of the person's authority to represent and sign for the applicant.

- 6A. Type in the name and title of the person authorized to represent the applicant.
- 6B. Enter the area code and telephone number of the person authorized to represent the applicant.
- 6C. The person authorized to represent the applicant must sign in this block.
- 6D. Enter the date the person authorized to represent the applicant signed this form.

TEXAS DEPARTMENT OF HEALTH
B. APPLICATION CHECKLIST

Legal Name of Applicant _____

INSTRUCTIONS: This Checklist must be completed and submitted with the original application. It is provided to ensure that the application is complete, proper signatures are included, and the required assurances, certifications and attachments have been submitted. Application is typed (computer or typewriter), single-spaced on 8 1/2" x 11" white paper and does not exceed page limits where specified. Confidential information is clearly marked in the application and reasons the information should be confidential are stated.

APPLICATION CONTENT

	Included	N/A
A. Face Page is completed, and proper signature and date are included	_____	_____
B. Application Checklist is completed and attached to original application	_____	_____
C. Contact Person Information	_____	_____
D. Project Description and Work Plan (goals, objectives, performance measure(s), target level(s) of performance, capacity of organization including an organization chart, and service delivery plan) are included	_____	_____
E. Financial Information		
1. Budget:		
• Service Information/Population & Costs	_____	_____
• Budget Summary Form (for use with cost reimbursement) is complete	_____	_____
• Budget Category Detail Forms (for use with cost reimbursement) are included	_____	_____
• Copy of most recently approved indirect cost agreement is attached if applicable	_____	_____
• Narrative	_____	_____
F. Other Required Forms and Documentation are attached and signed		
1. Historically Underutilized Businesses (HUBs).	_____	_____
2. Child Support Regulations.	_____	_____
3. Disclosure of Lobbying Activities.	_____	_____
4. Nonprofit Board of Directors and Executive Director Assurances Form.	_____	_____
5. Administrative Information Form.	_____	_____
6. TDH Assurances and Certifications.	_____	_____
7. Program Assurances and Requirements.	_____	_____

C. CONTACT PERSON INFORMATION

Legal Name of Applicant: _____ Date: _____

The purpose of this form is to provide information to TDH about the appropriate contact person in the applicant's organization. Please type in complete information about each person authorized to perform the following responsibilities. If any of the following information changes during the term of the contract, please notify the Vendor Coordinator, Grants Management Division, TDH.

Name of

Applicant's Authorized Representative: _____

Title: _____

Address: _____

E-Mail Address: _____

Telephone Number: _____ Fax Number: _____

Name of

Project Coordinator: _____

Title: _____

Address: _____

E-Mail Address: _____

Telephone Number: _____ Fax Number: _____

Name of contact person

regarding this application: _____

Title: _____

Address: _____

E-Mail Address: _____

Telephone Number: _____ Fax Number: _____

Name of clinical person: _____

Title: _____

Address: _____

E-Mail Address: _____

Telephone Number: _____ Fax Number: _____

Name of reporting person: _____

Title: _____

Address: _____

E-Mail Address: _____

Telephone Number: _____ Fax Number: _____

Name of eligibility person: _____
Title: _____
Address: _____
E-Mail Address: _____
Telephone Number: _____ **Fax Number:** _____

Name of Financial Officer: _____
Title: _____
Address: _____
E-Mail Address: _____
Telephone Number: _____ **Fax Number:** _____

Name of person responsible for Project
Quality Assurance (if applicable): _____
Title: _____
Address: _____
E-Mail Address: _____
Telephone Number: _____ **Fax Number:** _____

SERVICE INFORMATION/POPULATION & COSTS

Provide the information pertaining to the estimated population to be served and related costs for the PHC program. This page provides summary services and budget information. Include the number of clients that PHC funds would serve and costs to be charged to PHC or to be funded by PHC. The service population is **only the number of PHC eligibles projected to be served, not the number of people screened with TESS or total number of people served in your clinic**. Do not duplicate or include numbers from another program. **Be sure these numbers are consistent with numbers throughout the proposal.**

SERVICE POPULATION

Total number of unduplicated PHC-eligible clients to be served with PHC funds during contract year. This number should reflect the number of unduplicated eligible persons actually receiving services; it should **not** be the total number of people screened for potential eligibility for all programs.

FY 01 PROJECTED

Full-Service PHC Clients:

<1 thru 17 yrs

18 yrs. and older

Supplemental-Service PHC Clients:

<1 thru 17 yrs.

18 yrs. and older

One-Time-Basis Clients:

TOTAL PHC-ELIGIBLE CLIENTS

PROPOSED COSTS FY 01

(Of PHC Grant \$ Only)

Administrative Costs:

(If over 18%, attach explanation behind this page.)

\$

%

Services Costs:

\$

%

Total of State Funds Requested:

\$

%

Average Cost Per Client \$ _____

(Total PHC cost, not including program income/ # PHC clients served)

BUDGET SUMMARY

Legal Name of Applicant: _____

Cost Categories	TDH Funds Requested (1)	Direct Federal Funds (2)	Other State Agency Funds (3)	Local Funding Sources (4)	Other Funds (5)	Total (6)
A. Personnel	\$	\$	\$	\$	\$	\$
B. Fringe Benefits	\$	\$	\$	\$	\$	\$
C. Travel	\$	\$	\$	\$	\$	\$
D. Equipment	\$	\$	\$	\$	\$	\$
E. Supplies	\$	\$	\$	\$	\$	\$
F. Contractual	\$	\$	\$	\$	\$	\$
G. Construction	N/A	\$	\$	\$	\$	\$
H. Other	\$	\$	\$	\$	\$	\$
I. Total Direct Costs	\$	\$	\$	\$	\$	\$
J. Indirect Costs	\$	\$	\$	\$	\$	\$
K. Total (Sum of I and J)	\$	\$	\$	\$	\$	\$
L. Program Income --Projected Earnings	\$	\$	\$	\$	\$	\$
M. Match --In-Kind	\$	\$	\$	\$	\$	\$
--Other Match	\$	\$	\$	\$	\$	\$

Indirect costs are based on (mark the statement which is accurate):

- ☐ The applicant's most recently approved indirect cost rate (____%). A copy is attached behind the OTHER Budget Category Detail Form.
- ☐ The applicant's most recently approved indirect cost rate (____%) which is on file with TDH's Fiscal Division.
- ☐ Uniform Grants Management Standards.

BUDGET SUMMARY INSTRUCTIONS

This form reflects funding from all sources that support the project described in this application. See "Budget Forms and Instructions" for definitions of cost categories.

For purposes of this form, the column headings have the following meanings:

Column 1: The amount of funds requested from the Texas Department of Health (TDH) for this project.

Column 2: Federal funds awarded directly to applicant.

Column 3: Funds awarded to applicant from other State of Texas governmental agencies, **including other TDH programs**.

Column 4: Funds awarded to applicant by local governmental agencies (city, county, local health department, etc.).

Column 5: Funds from other sources not previously addressed in columns 1-4 (third party reimbursements, private foundations, donations, fund-raising).

Column 6: The sum of columns 1-5.

Program Income: Projected Earnings. Applicant must estimate the amount of program income that is expected to be generated during the budget period.

Program Income: Carry Forward. If applicant currently receives funding from TDH for this project, applicant is required to estimate the amount of program income that will be carried forward (if allowed by current contract) at the end of the current contract term. If applicant is not currently funded by TDH for this project, no action is required. Please note that in FY 00, PHC contractors will not be able to carry forward any program income collected during the year, and must show program income expended prior to submitting vouchers for reimbursement per the new TDH General Provisions (See APPENDIX A).

Match. If applicant is required to provide a match with this application, applicant shall enter the amount of matching funds contributed from the appropriate funding column(s). Costs and third party in-kind contributions counting towards satisfying a cost sharing or matching requirement must be verifiable from the applicant's records. These records must show how the value placed on third party in-kind contributions was derived. To the extent feasible, volunteer services will be supported by the same methods that the applicant uses to support the allocability of regular personnel costs. Third party in-kind contributions count toward satisfying a cost sharing or matching requirement only where, if the party receiving the contributions were to pay for them, the payments would be allowable costs.

In-Kind. The dollar value of in-kind contributions should be reflected in the appropriate line of row M. In-Kind Match and in the appropriate funding source column heading.

Other Match: Enter the dollar amount of funds which will be used to match TDH funds for the proposed activity. Match may come from sources such as local funds, other state grants, federal grants, private donations, or private foundations if not otherwise restricted.

BUDGET FORMS AND INSTRUCTIONS

Application Requirements

The application must include a detailed breakdown of budget cost categories and a narrative justification. Details of each cost category shall be expressed using the budget category detail forms which follow. Definitions of the cost categories and instructions and examples of how to itemize the contents of each cost category are included after the budget category detail forms. The budget narrative shall explain and justify the proposed budget request. The budget category detail forms have space for a narrative; however, if more space is needed, attach additional sheets of paper to the respective budget category detail form. Computer generated facsimiles may be substituted for any of the forms; however, the exact wording and format must be maintained.

Allowable and Unallowable Costs

Below is a brief listing of allowable and unallowable costs as prescribed by federal cost principles or TDH policy. Applicable federal cost principles provide additional information and guidance on allowable and unallowable costs.

An **allowable cost**, in accordance with federal cost principles, meets the following criteria:

- ✓ It is necessary and reasonable for proper and efficient administration of the funded program;
- ✓ It can be allocated to the funded program and is not a general expense needed to carry out the contractor's general responsibilities;
- ✓ It is authorized or is not prohibited under applicable laws or regulations;
- ✓ It conforms to applicable limitations or exclusions;
- ✓ It is consistent with applicable policies and procedures;
- ✓ It is treated consistently through the application of generally accepted accounting principles appropriate to the circumstances;
- ✓ It is not allocated or included as a cost of any other program; and
- ✓ It is the net sum of all applicable credits.

Unallowable costs, i.e., costs that may not be paid with TDH funds include, but are not limited to:

- ✗ Advertising costs other than those specifically allowed by terms of the contract attachment or those incurred for the purpose of personnel recruitment, solicitation of bids and disposal of surplus materials;
- ✗ Bad debts;
- ✗ Contingency reserve funds;
- ✗ Contributions and donations;
- ✗ Entertainment costs including amusement/social activities and their related costs (meals, beverages, lodgings, rentals, transportation, and gratuities);
- ✗ Fines, penalties, late payment fees, bank overdraft charges;
- ✗ Fund-raising;
- ✗ Interest (unless specifically authorized by applicable cost principles);
- ✗ Lobbying.

Direct Costs

Direct costs are those that can be specifically identified with a particular award, project, service, scope of work or other direct objective of an organization. These costs may be charged directly to the TDH contract attachment (if applicant is awarded a contract). These costs may also be charged to cost objectives used to accumulate all costs pending distribution to specific contracts and other purposes. Direct cost categories include: personnel, fringe benefits, travel, equipment, supplies, contractual, and other.

Indirect Costs

Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective. The amount of indirect costs that may be charged to any resulting TDH contract attachment is determined by negotiation and will be defined in the contract budget attachment.

Audit Requirements

If required by OMB Circular A-133 and/or UGMS, applicant or applicant's authorized contracting entity shall arrange for a financial and compliance audit (Single Audit). Applicant may include in the budget request an amount for TDH's proportionate share of costs. The audit must be conducted by an independent CPA and must be in accordance with applicable OMB Circulars, Government Auditing Standards, and UGMS. Audit services shall be procured in compliance with state procurement procedures, as well as the provision of UGMS.

PERSONNEL Budget Category Detail Form

LEGAL NAME OF APPLICANT: _____

Functional Title + Code E=Existing P=Proposed	% Time	Certification/ License Required	Total Annual Salary	Salary Requested for Project	Vacant Y/N	Justification
FRINGE BENEFITS: Itemize the elements of fringe benefits in this space. Attach an additional sheet of paper if more space is required.				SALARY TOTAL		\$
				Fringe Benefits Rate _____%		
				FRINGE BENEFITS TOTAL	\$	

TRAVEL Budget Category Detail Form

LEGAL NAME OF APPLICANT: _____

Local Travel Costs (Travel and Per Diem)

Mileage Reimbursement Rate	Estimated Number of Miles	Estimated Mileage Cost	Estimated Per Diem Costs	Estimated Total Local Travel Costs (Mileage plus Per Diem)	Justification (Include who or what position will be traveling, area or locations to cover, and why local travel is necessary to accomplish the project.)

Conference/Workshop Costs

Name and/or Description of Conference/Workshop	Location (City)	No. of Applicant Employees Attending (for whom TDH funds are requested)	Estimated Travel Cost (# of Miles x Reimbursement Rate; Estimated Airfare, etc.)	Estimated Per Diem Cost	Estimated Related Travel Costs (taxi, etc.)	Estimated Total Conference/Workshop Cost	Justification

TOTAL	\$	\$	\$	\$
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NOTE: All contracts with the Texas Department of Health require that a written travel policy be maintained by the contracting entity. Attach a copy of the travel policy as an appendix to the proposal. If a written travel policy is not in place, TDH's travel policy will be used.

EQUIPMENT Budget Category Detail Form

LEGAL NAME OF APPLICANT: _____

Amount requested in budget for equipment: \$ _____

Itemize, describe and justify the list below. Attach complete specifications or a copy of the purchase order. Equipment is defined by TDH as non-expendable personal property with a unit cost of more than \$1,000.00 and a useful life of more than one year, with the following exceptions: fax machines, stereo systems, cameras, video recorders/players, microcomputers, printers, software, medical and laboratory equipment which cost over \$500. Medical and laboratory equipment in this classification are defined as microscopes, oscilloscopes, centrifuges, balances, and incubators. Medical and laboratory equipment not included in these five categories are not considered a capital asset unless the unit value is over \$1,000.00. These exceptions must be approved for purchase as equipment and are considered capital assets for inventory purposes.

DESCRIPTION OF ITEM (> \$1,000 or Exceptions)	COST PER UNIT/# OF UNITS	TOTAL	PURPOSE & JUSTIFICATION

SUPPLIES Budget Category Detail Form

LEGAL NAME OF APPLICANT: _____

Amount requested in budget for supplies: \$ _____

Itemize, describe and justify the supply items listed below. Costs may be categorized by each general type (e.g. office, computer, medical, educational, janitorial, etc.).

DESCRIPTION OF ITEMS (_ \$1,000 excluding equipment exceptions)	COST PER UNIT/# OF UNITS	TOTAL	PURPOSE & JUSTIFICATION

CONTRACTUAL Budget Category Detail Form

LEGAL NAME OF APPLICANT: _____

Amount requested in budget for contractual: \$_____. List only subcontracts for health or health-related services provided directly to applicant's clients by a third party. If subrecipient(s) is not yet identified, describe the service to be subcontracted and show subrecipient as "To be named." Justification for subcontract that delegate a substantial portion of the scope of the project or exceed \$25,000 or 25% of the applicant's funding request must be attached behind this form.

Subrecipient Name (Agency or Individual)	Description of Services (Scope of Work)	Method of Reimbursement (Cost Reimbursement or Unit Cost)	# of Hours or Units of Service	Unit Cost Rate (If Applicable)	Total	Justification

OTHER Budget Category Detail Form

LEGAL NAME OF APPLICANT: _____

Amount requested in budget for other: \$ _____

Description	Cost (Include # of Units x Unit Cost if applicable)	Purpose and Justification

DEFINITION OF COST CATEGORIES, INSTRUCTIONS AND EXAMPLES

A. PERSONNEL

DEFINITION: Actual salaries and wages for all staff positions in the proposed project that will provide direct care and administrative services (including clerical) to the project.

INSTRUCTIONS: Enter the following information for each position on the PERSONNEL Budget Category Detail Form: functional title, whether the position is existing or proposed, % of time dedicated to the project, any certification or license an individual must possess to be qualified for the position, the total annual salary, the amount of TDH funds requested for this position's salary (% of time dedicated to the project multiplied by the annual salary), whether the position is vacant or filled, and the justification for the position. Justification may include a brief description of the position's primary responsibilities and an explanation for the % of time dedicated to the project, why the position classification is appropriate (including license/certification requirements), and an explanation of reasonableness of the annual salary.

B. FRINGE BENEFITS

DEFINITION: Fringe benefits paid by the applicant on behalf of its employees. This includes employer contributions for social security, retirement, health and accident insurance, and workers' compensation insurance. Fringe benefits requested should represent actual benefits paid for employees.

INSTRUCTION: Itemize the elements of fringe benefits and indicate the % rate on the PERSONNEL Budget Category Detail Form.

C. TRAVEL

DEFINITION: The costs of transportation, lodging, meals and related expenses incurred by the applicant's staff while traveling to perform duties required by the proposed project are classified as travel. This includes personal auto mileage for travel by employees. Costs related to client transportation and registration fees should be classified as "Other," not "Travel."

INSTRUCTIONS: The TRAVEL Budget Category Detail Form requires information on local travel costs (travel and per diem) and information on conferences/workshops for which TDH funding is being requested. For local travel, enter the reimbursement rate for automobile mileage and the estimated number of miles to be traveled for the budget period. To calculate the total estimated local travel costs, multiply the local reimbursement rate per mile by the total estimated number of automobile miles. Enter the estimated per diem costs which may be associated with local travel and show the basis for cost (15 partial days x \$7 per partial day = \$105). The justification should include who or what position classification(s) will be traveling and why local travel is necessary to accomplish the project. For conferences/workshops, the following must be included for all attending for whom TDH funds are being requested: the name and/or description of the conference/workshop, the location (city), the number of persons attending, estimated travel, per diem, other related travel costs (excluding registration fees) and total costs for all attending. The justification should include how attendance at the conference/workshop will directly benefit the project and why it is necessary to accomplish the project.

All contracts with the Texas Department of Health require that a written travel policy be maintained by the contracting entity. Attach a copy of the travel policy as an appendix to the proposal. If a written travel policy is not in place, TDH's travel policy will be used.

D. EQUIPMENT

DEFINITION: Equipment is defined by TDH as non-expendable personal property with a unit cost of more than \$1,000.00 and a useful life of more than one year, with the following exceptions: fax machines, stereo systems, cameras, video recorders/players, microcomputers, printers, software, medical and laboratory equipment. Medical and laboratory equipment in this category is defined as microscopes, oscilloscopes, centrifuges, balances, and incubators. Medical and laboratory equipment not included in these five categories are not considered a capital asset unless the unit value is over \$1,000.00. The exception items listed will still be inventoried if their unit cost plus any items used with or attached to the unit is \$500.00 or greater. For items with component parts (i.e., computers), the aggregate cost must be considered when applying the \$500/\$1,000 threshold.

INSTRUCTIONS: Enter the following information on the EQUIPMENT Budget Category Detail Form for each type of equipment item: description of each item, the cost per unit, the number of units to be purchased, the total amount for the line item (multiply the cost per unit by the number of units), state the purpose for the item(s) and why the equipment is necessary and how the applicant determined or will determine that the cost is reasonable. Attach a complete specification or a copy of the purchase order.

EXAMPLES OF EQUIPMENT DESCRIPTIONS

Remember: Equipment is priced **per unit** including freight. If you intend to purchase 10 modems @ \$95 each, this would be considered a supply item not an equipment item.

INCORRECT EXAMPLES

Computer-166 mH Pentium
1 @ \$2,150
(Insufficient description/specification)

1 @ \$250 Laser Jet Printer
*(This item would be moved to supplies
as it is less than \$500.00).*

CORRECT EXAMPLES

Packard Bell Multimedia C-110, Hard Drive 1081.7
MB; 14.4 AMSP modem fax; .44 MB 3.5" diskette
drive, CD ROM 4X CDR-173; Mouse, Color monitor;
Keyboard, Windows '95 pre-installed.
1 @ \$2,150

24" Zenith Portable TV/VCR Combination;
Model #Z12345
1 @ \$750

E. SUPPLIES

DEFINITION: Costs for materials and supplies necessary to carry out the program. This includes medical supplies, drugs, janitorial supplies, office supplies, patient educational supplies, software less than \$500,

plus any equipment with a purchase price including freight not to exceed \$1,000 per item, except those listed in the "equipment" category.

INSTRUCTIONS: Enter the following information in the SUPPLIES Budget Category Detail Form for each general category or type of supplies: description of the items, the cost per unit, the number of units to be purchased, the total amount for the line item (multiply the cost per unit by the number of units), and state the purpose for the item(s), why the equipment is necessary and how the applicant determined or will determine that the cost is reasonable.

F. CONTRACTUAL

DEFINITION: The contractual section includes only costs incurred for health or health-related services rendered directly to the applicant's clients by a third party. Examples of the services that may be included in this category are: counseling, education, nursing, lab fees, physician's fees, radiology, pharmacy, therapy, etc. Travel by these individuals should be included in this category if they are delivering client services. Subcontracts for administrative services are not included in this category; they are properly classified in the Other category.

If the applicant enters into grant contracts with subrecipients or procurement contracts with vendors, the documents will be in writing and will comply with the requirements specified in the Contracts with Subrecipients and Contracts for Procurement articles in the General Provisions for Texas Department of Health Grant Contracts (see **APPENDIX A: Sample General Provisions, Texas Department of Health Contracts**, 2000 version).

If an applicant plans to enter into a contract which delegates a substantial portion of the scope of the project i.e. \$25,000 or 25% of the applicant's funding request whichever is greater, the applicant must submit justification to TDH and receive prior written approval from TDH before entering into the contract.

INSTRUCTIONS: The CONTRACTUAL Budget Category Detail Form requires the names of the individuals or organizations performing the services, a description of the services being subcontracted, the number of hours or units of service to be purchased, the method of reimbursement (cost reimbursement or unit cost), unit cost if applicable and total amount of each subcontract. Justification should include why applicant intends to subcontract for the service, why the service is necessary to perform the scope of work and how applicant will ensure that the cost of the service is reasonable.

Justification for contracts that delegate a substantial portion of the scope of the project i.e. \$25,000 or 25% of the applicant's funding request whichever is greater, must be attached behind the CONTRACTUAL Budget Category Detail Form.

G. CONSTRUCTION - TDH does not fund construction projects.

H. OTHER

DEFINITION: All other allowable direct costs not listed in any of the above categories are to be included in this category. Some of the major costs that should be budgeted in this category are:

* contracts for administrative services or non-medical services;

- * space and equipment rental;
- * utilities and telephone expenses;
- * data processing services;
- * printing and reproduction expenses;
- * postage and shipping;
- * contract clerical or other personnel services;
- * janitorial services;
- * exterminating services;
- * security services;
- * insurance and bonds;
- * equipment repairs or service maintenance agreements;
- * books, periodicals, pamphlets, and memberships;
- * advertising;
- * registration fees;
- * patient transportation;
- * training costs, speakers fees and stipends.

INSTRUCTIONS: The OTHER Budget Category Detail Form requires a general description of the service and the cost. The justification should include an explanation of the purpose of the service and how it is necessary for the completion of the activity. The justification should also include a statement of when services will be utilized if other than the full RFP budget period.

I. TOTAL DIRECT CHARGES

The sum total of all direct cost categories (A-H).

J. INDIRECT COSTS

DEFINITION: Those costs related to the project that are not included in direct costs. Indirect costs are those costs incurred for a common or joint purpose benefitting more than one cost objective and not readily identified with a particular cost center and which may be paid if allowable under the funding source.

The applicant may negotiate an indirect cost rate with its federal cognizant agency or state coordinating agency. If there is no assigned agency, TDH's Fiscal Division may provide guidance on how to have an agency assigned or TDH's Fiscal Division may review the applicant's cost allocation plan and negotiate an approved indirect cost rate. The TDH Fiscal Division will maintain a listing of agencies and their approved rates. To obtain information about cognizant agencies or negotiating an indirect cost rate, contact the TDH Fiscal Division at (512) 458-7435.

If the applicant does not have an approved indirect cost rate and does not intend to negotiate one, then funds may be budgeted in accordance with Uniform Grant Management Standards (UGMS) which reads as follows:

"In lieu of determining the actual indirect costs of the service for which a state award is made, a grantee may recover up to 10 percent of the direct salary and wage costs of providing the service (excluding overtime, shift premiums, and fringe benefits) as indirect costs, subject to adequate documentation [of direct salary and wage costs]. Applicants choosing this method of indirect cost

recovery are prohibited from seeking recovery using a cost allocation plan, rate or other methods for the same period."

INSTRUCTIONS: A Budget Category Detail Form has not been developed for the Indirect Cost Category. Applicant should indicate the indirect cost rate (if applicable) on the BUDGET SUMMARY page and mark the box which contains the appropriate statement regarding the support for the indirect charge. If applicant attaches a copy of the most recently approved indirect cost rate, it should be placed behind the OTHER Budget Category Detail Form.

K. TOTAL

The sum of Total Direct Costs and Indirect Costs (I + J).

L. PROGRAM INCOME

DEFINITION: Program Income is the income resulting from fees or charges made by a contractor in connection with activities supported in whole or in part by a federal/state contract. Program income earned as a result of an effort which is jointly funded by TDH and the contractor is to be shared by TDH and the contractor. A program income allocation plan is the means by which TDH's share is determined. The required formula for a plan is as follows:

$$\frac{\text{TDH's Share of Funding} \times \text{Total Program Income Collected}}{\text{TDH's Share of Funding} + \text{Contractors Share of Funding}} = \text{TDH's Share of Program Income}$$

Contractor shall disburse program income rebates, refunds, contract settlements, audit recoveries and interest earned on such funds before requesting cash payments including advance payments from TDH.

For more information about program income refer to the Program Income Article in the General Provisions for the Texas Department of Health Grant Contracts and/or request a copy of TDH's Financial Administrative Procedures Manual.

INSTRUCTIONS:

Projected Earnings. Applicant must enter on the BUDGET SUMMARY form the estimated amount of program income that is expected to be generated during the budget period

Examples Of Program Income

- *fees received for personal services performed in connection with and during the period of contract support;*
- *tuition and fees when the course of instruction is developed, sponsored, and supported by the applicable contract from state or federal sources;*
- *sale of services such as laboratory tests or computer time; or*
- *payments received from patients or third parties for medical or hospital service, such as Title XIX or Title XX reimbursements, insurance payments, or patient fees. These payments may be made under either a cost reimbursement or a fixed price agreement;*
- *lease or rental of films or video tapes; and*
- *rights or royalty payments resulting from patents or copyrights developed or acquired by the contractor.*

M. MATCH

DEFINITION: The portion of allowable costs incurred under the proposed project borne by unrestricted funding sources or the value of the third party in-kind contributions applicable to the period to which the match requirement applies.

Costs and third party in-kind contributions counting towards satisfying a cost sharing or matching requirement must be verifiable from the applicant's records. These records must show how the value placed on third party in-kind contributions was derived. To the extent feasible, volunteer services will be supported by the same methods that the applicant uses to support the allocability of regular personnel costs. Third party in-kind contributions count toward satisfying a cost sharing or matching requirement only where, if the party receiving the contributions were to pay for them, the payments would be allowable costs.

INSTRUCTIONS:

In-Kind. Enter the dollar value of in-kind contributions in the appropriate line of row M. In-Kind and in the column heading which reflects the source of the in-kind contribution.

Other Match. Enter the dollar amount of funds which will be used to match TDH funds for the proposed activity.



TEXAS DEPARTMENT OF HEALTH

HUB GOOD FAITH EFFORT PROGRAM(GFEP)/CLIENT SERVICES FORM

Applicant Name: _____

Application/RFP Deadline: _____

TDH RFP Name: _____

In accordance with Texas Government Code Title 10, Subtitle D, Chapter 2161 and Title 1 Texas Administrative Code (TAC) §111.11 through §111.24, state agencies are required to make a good faith effort to assist historically underutilized businesses (HUBs) in receiving contract awards issued by the state. The goal of this program is to promote full and equal business opportunities for all businesses in contracting with the state. See back of form for HUB definition.

The Texas Department of Health (TDH) is very committed to the HUB program and shall make a good faith effort to utilize HUBs in contracts for commodities and service purchases. TDH will achieve annual program goals by contracting directly with HUBs or indirectly through subcontracting opportunities. A *subrecipient* is an entity that enters into a contract with a contractor (vendor) to provide the goods or services for which the contractor is responsible under the terms of its contract with TDH.

It is the intent of TDH that *all* TDH contractors make a good faith effort to subcontract with HUBs during the performance of their contract; however, **any business that enters into a Client Services contract with TDH for \$100,000 or more shall be required to make a good faith effort to award subcontracts to HUBs to meet the goal of 18.10%.** Any combination of the following subcontracting areas may be used to satisfy this goal:

- Commodity purchases (e.g. medical supplies, office supplies, laboratory supplies)
- Professional Services (e.g. physicians, nursing, laboratory services, pharmacy)
- Other Services (e.g. legal services, consulting, maintenance/repair services, computer services)

This Good Faith Effort Program goal does not prevent any business group from participating in contracting opportunities with the State of Texas. Further assistance and/or copies of the applicable sections of 1 TAC can be obtained by contacting the TDH HUB Program at (512) 458-7111, extension 3760 or 1-800-243-7487.

INSTRUCTIONS:

Applications for contract funds totaling less than \$100,000 - Applicants are encouraged to voluntarily comply with the HUB Good Faith Effort Program, complete and return this HUB Good Faith Effort Program/Client Services Form with the application, and if a contract is awarded, to submit Quarterly Reports regarding HUB subcontracting activity. However, for applications less than \$100,000, completion of this form and Quarterly Reports are not mandatory.

Applications for contract funds totaling \$100,000 or more - Applicants are required to: comply with the HUB Good Faith Effort requirements, complete and return this HUB Good Faith Effort Program/Client Services form along with a supplemental letter as explained below (#3) with the application or no later than 7 working days following the submission of the original application, and if a contract is awarded, to submit appropriate Quarterly Reports regarding HUB subcontracting activity. For applications totaling \$100,000 or more, compliance with these requirements is a condition of awarding a contract.

1. Are you certified as a Texas Historically Underutilized Business (HUB)? ____ Yes ____ No
If "Yes" - What percentage of the contract work will be completed by your employees? _____
2. If an award is issued, do you plan to utilize a HUB Subrecipient or Supplier for all or any portion of the contract?
____ Yes ____ No If "Yes" - What percentage of the total dollar amount of the award will be or is estimated to be subcontracted? _____
3. Attach supplemental documentation based on your answer to question #2 as follows: If "Yes"- List specific subcontracting or supply areas that compose the percentage amount listed; if "No"- Provide written explanation.

Quarterly Reports (Due December, March, June and September): If TDH determines you have complied with the good faith effort requirements and awards you a contract, you will be required to submit one of the following quarterly reports if you provide any HUB subcontracting opportunities:

Non-HUB Vendors: *Progress Assessment Report by Non-Historically Underutilized Businesses of Work Sub-Contracted* (NON-HUB-PAR).

HUB Vendors: *Progress Assessment Report by Historically Underutilized Business of Work Sub-Contracted* (HUB-PAR-A).

Applicant Representative Signature: _____ Date: _____

NOTE: A list of all General Service Commission certified HUBs may be electronically accessed through the Internet. Using a Web Browser (like Netscape, Mosaic, etc.), connect to <http://www.gsc.state.tx.us> (this is the GSC home page).

HUB DEFINITION

A HUB is defined in the Texas Government Code §2161.001(2), VTCA, as an entity with its principal place of business in this state that is:

- A. a corporation formed for the purpose of making a profit in which 51 percent or more of all classes of the shares of stock or other equitable securities are owned by one or more economically disadvantaged persons who have a proportionate interest and actively participate in the corporation's control, operation, and management;
- B. a sole proprietorship created for the purpose of making a profit that is completely owned, operated, and controlled by a economically disadvantaged person;
- C. a partnership formed for the purpose of making a profit in which 51 percent or more of the assets and interest in the partnership are owned by one or more economically disadvantaged persons who have a proportionate interest and actively participate in the partnership's control, operation, and management;
- D. a joint venture in which each entity in the venture is a historically underutilized business, as determined under another paragraph of this subdivision; or
- E. a supplier contract between a historically underutilized business as determined under another paragraph of this subdivision and a prime contractor under which the historically underutilized business is directly involved in the manufacture or distribution of the goods or otherwise warehouses and ships the goods.

"Economically disadvantaged person" is defined in Texas Government Code §2161.001(3) as ". . . a person who is economically disadvantaged because of the person's identification as a member of a certain group, including Black Americans, Hispanic Americans, women, Asian Pacific Americans and Native Americans, and who has suffered the effects of discriminatory practices or other similar insidious circumstances over which the person has no control."



Contractor: _____ TDH Grant/Contract Name: _____ _____
--

**PROGRESS ASSESSMENT REPORT BY
 NON-HISTORICALLY UNDERUTILIZED BUSINESS
 OF WORK SUB-CONTRACTED (NON-HUB-PAR)**

Contractor Name: _____

Vendor Identification Number(VID#): _____

Mailing Address: _____

Total Contract Amount: \$ _____

Total Amount Paid to HUB Subrecipient(s): \$ _____

For HUB Subrecipient/Supplier, write in the letter "H" and the GSC Certification #. If NON-Certified HUB Subrecipient, write in the letter "N".	Name of Subrecipient/Supplier	VID #, Social Security #, or Federal ID #	\$ Amount Paid This Period	\$ Total Paid- to-Date

To be reported quarterly by the following dates:

Quarter	Months Included	Deadline
First	Sept., Oct., Nov.	December 5th
Second	Dec., Jan., Feb.	March 5th
Third	March, April, May	June 5th
Fourth	June, July, Aug.	September 5th

Signature _____

Title _____

Date _____

Telephone # _____

Return to: Texas Department of Health
 Attn: TDH HUB Coordinator
 Bureau of Support Services
 1100 West 49th Street, G-103
 Austin, TX 78756

Attach a narrative report describing your good faith efforts during the reporting period.



Contractor: _____
 TDH Grant/Contract Name: _____

**Progress Assessment Report by
 HISTORICALLY UNDERUTILIZED BUSINESS
 OF WORK SUB-CONTRACTED (HUB-PAR)**

Contractor Name: _____

Vendor Identification Number(VID#): _____

Mailing Address: _____

Total Contract Amount: \$ _____ Total Amount Paid to HUB Subrecipient(s): \$ _____

% of Contract performed by Contractor's employees for reporting period: _____

For HUB Subrecipient/Supplier, write in the letter "H" and the GSC Certification #. If NON-Certified HUB Subrecipient, write in the letter "N".	Name of Subrecipient/Supplier	VID#, Social Security #, or Federal ID #	\$ Amount Paid This Period	\$ Total Paid-to-Date

To be reported quarterly by the following dates:

Quarter	Months Included	Deadline
First	Sept., Oct., Nov.	December 5th
Second	Dec., Jan., Feb.	March 5th
Third	March, April, May	June 5th
Fourth	June, July, Aug.	September 5th

Signature _____
 Title _____
 Date _____
 Telephone # _____

Return to: Texas Department of Health
 Attn: TDH HUB Coordinator
 Bureau of Support Services
 1100 West 49th Street, G-103
 Austin, TX 78756

Attach a narrative report describing your good faith efforts during the reporting period.

Texas Department of Health Child Support Certification*

The Texas Family Code, §231.006, VTCA places certain restrictions on child support obligers. Contracts with governmental entities or nonprofit corporations are not subject to §231.006.

The contractor identified below is not a governmental entity or a nonprofit corporation and certifies to the following:

1. The contractor is: (check one)
 - ☐ An individual or sole proprietor, or
 - ☐ A business entity (corporation, partnership, joint venture, limited liability company, association, etc.)
2. The contractor certifies that the following is a complete list of the names and social security numbers of either (a) the individual or sole proprietor who is the contractor or (b) each partner, shareholder, or owner with an ownership interest of at least 25% of the contractor/business entity: (attach additional sheet if necessary).

(A) Printed Name: _____
Social Security Number: _____

(B) Printed Name: _____
Social Security Number: _____

3. Under the Texas Family Code, §231.006, VTCA the contractor certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate. A child support obligor who is more than 30 days delinquent in paying child support or a business entity in which the obligor (who is more than 30 days delinquent) is the sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25% is not eligible to receive the specified grant, loan or payment. The contractor understands that it is the contractor's responsibility to verify whether a child support obligor who is more than 30 days delinquent is the sole proprietor, partner, shareholder or owner with an ownership interest of at least 25%.

4. Printed Name of Contractor:

Printed Name of Authorized Representative

Signing this Certification:

Signature of Authorized Representative: _____

Date: _____

*For purposes of this form, the word "contractor" is referring to the organization responding to a TDH RFP and the word "contract" should be read as "any proposed contract that results from a TDH RFP."

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 USC 1352
(See reverse for public burden disclosure.)

Approved by OMB
0348-0046

1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance		2. Status of Federal Action <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award		3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: Year _____ Quarter _____ Date of last report _____	
4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known:			5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District, if known:		
6. Federal Department/Agency:			7. Federal Program Name/Description: CFDA Number, if applicable: _____		
8. Federal Action Number, if known:			9. Award Amount, if known: \$ _____		
10. a. Name and Address of Lobbying Entity (If individual, last name, first name, MI): (Attach Continuation			b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI): Sheets(s) SF-LLL-A, if necessary)		
11. Amount of Payment (check all that apply): \$ _____ <input type="checkbox"/> actual <input type="checkbox"/> planned			13. Type of Payment (check all that apply): <input type="checkbox"/> a. retainer <input type="checkbox"/> b. one-time fee <input type="checkbox"/> c. commission <input type="checkbox"/> d. contingent fee <input type="checkbox"/> e. deferred <input type="checkbox"/> f. other, specify: _____		
12. Form of Payment (Check all that apply): <input type="checkbox"/> a. cash <input type="checkbox"/> b. in-kind; specify: nature _____ value _____					
14. Brief Description of Services Performed or to be Performed and Date(s) of Service, including officer(s), employee(s), or Member(s) contacted, for Payment indicated in item 11. (Attach Continuation Sheets(s) SF-LLL-A, if necessary)					
15. Continuation Sheet(s) SF-LLL-A attached: <input type="checkbox"/> Yes <input type="checkbox"/> No					
16. Information requested through this form is authorized by Title 31 USC Section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 USC 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.			Signature _____ Print Name: _____ Title: _____ Legal Name of Applicant: _____ Telephone No: _____ Date: _____		
Federal Use Only:				Authorized for Local Reproduction Standard Form - LLL	

**DISCLOSURE OF LOBBYING ACTIVITIES
CONTINUATION SHEET**

Approved by OMB
0348-0046

Reporting Entity: _____ Page _____ of _____

Authorized for Local Reproduction
Standard Form - LLL-A

**INSTRUCTIONS FOR COMPLETION OF SF-LLL
DISCLOSURE OF LOBBYING ACTIVITIES**

This disclosure form shall be completed by the reporting entity, whether subawardee or prime federal recipient, at the initiation or receipt of a covered federal action, or a material change to a previous filing, pursuant to Title 31 USC §1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with a covered federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered federal action.
2. Identify the status of the covered federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include congressional district, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g. the first subawardee of the prime is the first tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks “subawardee”, then enter the full name, address, city, state and zip code of the prime federal recipient. Include congressional district, if known.
6. Enter the name of the federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the federal program name or description for the covered federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate federal identifying number available for the federal action identified in Item 1 (e.g., Request for Proposal (RFP) number, Invitation for Bid (IFB) number, grant announcement number, the contract, grant, or loan award number, the application/proposal control number assigned by the federal agency). Include prefixes, e.g., “RFP-DE-90-001.”
9. For a covered federal action where there has been an award or loan commitment by the federal agency, enter the federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered federal action..

- (b) Enter the full names of the individual(s) performing services, and include full address if different from 10(a). Enter last name, first name, and middle initial (MI)
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (Item 4) to the lobbying entity (Item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
 12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
 13. Check the appropriate box(es). Check all boxes that apply. If "other," specify nature.
 14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with federal officials. Identify the federal official(s) or employee(s) contacted or the officer(s), employee(s), or member(s) of Congress that were contacted.
 15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
 16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

**NONPROFIT BOARD OF DIRECTORS AND EXECUTIVE DIRECTOR
ASSURANCES FORM**

(Name & Address Of Organization)

The persons signing on behalf of the above named organization certify that they are duly authorized to sign this Assurances form on behalf of the organization. The undersigned acknowledge and affirm:

- A. That an annual budget has been approved for each contract with TDH.
- B. The Board of Directors convenes on a regularly scheduled basis (no less than quarterly) to discuss the operations of the organization.
- C. Actual revenue and expenses are compared with the approved budget, variances are noted, and corrective action taken as needed (with Board approval).
- D. Timely and accurate financial statements are presented by the designated financial officer on a regular basis to the board.
- E. That the Board of Directors will ensure that any required financial reports and forms, whether federal or state, are filed on a current and timely basis.
- F. Adequate internal controls are in place to ensure fiscal integrity and accountability and to safeguard assets.
- G. The Treasurer of the Board has been fully informed of his or her responsibilities as Treasurer.
- H. The Board has Audit and/or Finance Committees that convene regularly and communicate effectively with the Board Treasurer and other Board members in understanding and responding to financial developments.
- I. The organization observes Generally Accepted Accounting Principles when preparing financial statements and fund accounting practices are observed to ensure integrity among specific contracts or grants.
- J. If a contract is executed with the Texas Department of Health, this form will be discussed in detail at the next official Board meeting and that notes of the discussion and a signed copy of this form will be included in the minutes of the meeting. A copy of the minutes will be forwarded to the Texas Department of Health's Grants Management Division, no later than 45 days after the meeting in which the form was discussed.
- K. If a contract is executed with the Texas Department of Health, the Legal and Fiscal Responsibilities for Nonprofit Board of Directors Video and Guide will be viewed and a signed "tear-out" sheet will be completed and filed by each board member with the nonprofit organization no later than 45 days after contract execution. Newly appointed/elected board members will comply with these requirements no more than 45 days after taking office. All tear-out sheets will be available for inspection by TDH staff.

* _____

Chairman of the Board

Signature/Date

* _____

President or Executive Director Signature/Date

*If the signed original of this form has been provided to the Texas Department of Health during the calendar year and the officers signing the document have not changed, a copy of the signed form will be accepted.

ADMINISTRATIVE INFORMATION

Legal Name of Applicant: _____

INSTRUCTIONS: Respond to each request for information or provide the required supplemental document behind this form. If responses require multiple pages, identify the supporting pages/documentation with the applicable request.

Identifying Information

The applicant must attach the following information:

If a Governmental Entity

- Names (last, first, middle) and addresses for the officials who are authorized to enter into a contract on behalf of the applicant.

If a Nonprofit or For Profit Corporation

- Full names (last, first, middle), addresses, telephone numbers, titles and occupations of members of the Board of Directors or any other principal officers. Indicate what offices are held by members (e.g. chairperson, president, vice-president, treasurer, etc).
- Full names (last, first, middle) and addresses for each partner, officer, and director as well as the full names and addresses for each person who owns five percent (5%) or more of the stock if applicant is a for profit corporation.

Conflict Of Interest and Contract History

The applicant must disclose any existing or potential conflicts of interest relative to the performance of the requirements of this RFP. Failure to disclose any such relationship may be cause for contract termination or disqualification of the proposal. If, following a review of this information, it is determined by TDH that a conflict of interest exists, the applicant may be disqualified from further consideration for the award of a contract.

1. **Has any member of applicant's executive management, project management, governing board or principal officers been employed by the State of Texas 24 months prior to the application due date?**

☐ YES ☐ NO

If YES, indicate her/his name, social security number, job title, agency employed by, separation date, and reason for separation.

2. **Is applicant or any member of applicant's executive management, project management, board members or principal officers delinquent on any state, federal or other debt or affiliated with an organization which is delinquent on any state, federal or other debt?**

☐ YES ☐ NO

If YES, please explain. (Attach no more than one additional page.)

**TEXAS DEPARTMENT OF HEALTH
ASSURANCES AND CERTIFICATIONS**

Note: Some of these Assurances and Certifications may not be applicable to your project. If you have questions, contact the awarding Program within TDH.

As the duly authorized representative of the applicant, my signature on the FACE PAGE Form certifies that the applicant:

1. Has the legal authority to apply for state/federal assistance, and the institutional, managerial and financial capability and systems (including funds sufficient to pay the non-state/federal share of project costs) to ensure proper planning, management and completion of the project described in this application;
2. Will honor for 90 days after the application due date the technical and business terms contained in the application;
3. Will initiate the work after receipt of a fully executed contract and will complete it within the contract period;
4. Will remain current in its payment of franchise tax or is exempt from payment of franchise taxes, if applicable;
5. Affirms that it has not given, nor intends to give, at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant or any employee or representative of same, in connection with this procurement;
6. Will not require a client to provide or pay for the services of a translator or interpreter;
7. Will identify and document on client records the primary language/dialect of a client who has limited English proficiency and the need for translation or interpretation services;
8. Will make every effort to avoid use of any persons under the age of 18 or any family member or friend of a client as an interpreter for essential communications with clients who have limited English proficiency. However, a family member or friend may be used as an interpreter if this is requested by the client and the use of such a person would not compromise the effectiveness of services or violates the client's confidentiality, and the client is advised that a free interpreter is available;
9. Will comply with all applicable requirements of all other state/federal laws, executive orders, regulations, and policies governing this program.
10. Defined as the primary participant in accordance with 45 CFR Part 76, and his/her principals:
 - (a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 - (b) have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

- (c) are not presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) have not within a 3-year period preceding this application/proposal had one or more public transactions (federal, state, or local) terminated for cause or default.

Should the applicant not be able to provide this certification (by signing the FACE PAGE Form), an explanation should be placed after this form in the application response.

The applicant agrees by submitting this proposal that he/she will include, without modification, the clause titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-Lower Tier Covered Transaction" (Appendix B to 45 CFR Part 76) in all lower tier covered transactions (i.e., transactions with subgrantees and/or contractors) and in all solicitations for lower tier covered transactions.

11. Understands that Title 31, USC §1352, entitled "Limitation on use of appropriated funds to influence certain federal contracting and financial transactions," generally prohibits recipients of federal grants and cooperative agreements from using federal (appropriated) funds for lobbying the executive or legislative branches of the federal government in connection with a **SPECIFIC** grant or cooperative agreement. Section 1352 also requires that each person who requests or receives a federal grant or cooperative agreement must disclose lobbying undertaken with non-federal (non-appropriated) funds. These requirements apply to grants and cooperative agreements EXCEEDING \$100,000 in total costs (45 CFR Part 93).

The undersigned (authorized official signing for the applicant organization on the FACE PAGE Form) certifies, to the best of his or her knowledge and belief, that:

- (a) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- (b) If any funds other than federally-appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agent, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," (SF-LLL) in accordance with its instructions. SF-LLL and continuation sheet are included at the end of this application form.
- (c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by USC §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure."

12. Affirms that the statements herein are true, accurate, and complete (to the best of his or her knowledge and belief), and agrees to comply with the TDH terms and conditions if an award is issued as a result of this application. Willful provision of false information is a criminal offense (Title 18, USC §1001). Any person making any false, fictitious, or fraudulent statement may, in addition to other remedies available to the Government, be subject to civil penalties under the Program Fraud Civil Remedies Act of 1986 (45 CFR Part 79).

PROGRAM ASSURANCES AND REQUIREMENTS

If I or my agency is awarded PHC contract through this RFP process, I agree to provide PHC services in compliance with the requirements of the Texas Department of Health, Bureau of Community Oriented Public Health and the Primary Health Care Program.

- . . . (a) To provide all PHC health services according to the most current Texas Department of Health, Quality Care: Client Services Standards for Public Health and Community Clinics.
- . . . (b) To provide all PHC health services in a culturally sensitive and nondiscriminating manner.
- . . . (c) To provide all PHC health services as outlined in this application and to notify the Bureau of Community Oriented Public Health prior to any significant departures from this plan.
- (d) To ensure that there is a structure and process for ongoing community participation in health planning, education, outreach, and evaluation. To ensure that the program observes a policy of inclusiveness for all sectors of the community.
- (e) To ensure that program vision and activities are directed at the health of the entire community and not limited to clients presenting for service.
- . . . (f) To screen all clients utilizing TESS for potential programs eligibility. To bill Medicaid for the provision of all programs including Medicaid allowable services provided to appropriately eligible clients. To bill PHC for approved services provided only to PHC eligible clients.
- . . . (g) To provide all PHC reimbursed health services to clients below 150% of the federal poverty level. To charge clients billed for PHC reimbursement only a co-pay amount based on a PHC Program approved scale. To provide PHC services to patients billed for PHC reimbursement regardless of their ability to pay an approved co-pay.
- . . . (h) To comply with all contractually specified monitoring, evaluation, and reporting requirements in a timely fashion.
- . . . (i) To share pertinent data/information, within the constraints of confidentiality, with other area providers in order to eliminate overlap or duplication of services and provide clients with the best possible and most effective care.
- . . . (j) To collaborate with the applicable TDH Regional Office to develop coordinated systems of care and to enhance access to services by participating in the development of regional and community health/social service coalitions.
- . . . (k) To provide assistance to TDH Regional Offices and other public health entities during public health emergencies.

The above certifications and assurances are made as a required element of the proposal to which they are attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract(s):

**APPENDIX A -TDH CONTRACT
GENERAL PROVISIONS**

**GENERAL PROVISIONS FOR
TEXAS DEPARTMENT OF HEALTH GRANT CONTRACTS**

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**GENERAL PROVISIONS FOR
TEXAS DEPARTMENT OF HEALTH GRANT CONTRACTS**

ARTICLE 1. Preamble

PERFORMING AGENCY and RECEIVING AGENCY (the parties) hereby agree to make and enter into this grant contract (contract), to faithfully perform the duties prescribed by this contract and to uphold and abide by its terms and provisions. This contract consists of RECEIVING and PERFORMING AGENCY identifying data, Details of Attachment(s), authorized signatures, General Provisions, and Attachment(s) with detailed Scope(s) of Work, Special Provisions, budget(s), and exhibit(s) as applicable. This contract represents the complete and entire understanding and agreement of the parties. No prior agreement or understanding, oral or otherwise, of the parties or their agents will be valid or enforceable unless embodied in this contract.

The person or persons signing and executing this contract on behalf of PERFORMING AGENCY, or representing themselves as signing and executing this contract on behalf of PERFORMING AGENCY, warrant and guarantee that he, she, or they have been duly authorized by PERFORMING AGENCY to execute this contract on behalf of PERFORMING AGENCY and to validly and legally bind PERFORMING AGENCY to all of its terms, performances, and provisions.

PERFORMING AGENCY assures compliance with this contract, including these General Provisions unless otherwise specified in any Special Provisions of the Attachment(s) to this document. If these General Provisions are revised or replaced during the term of this contract, and PERFORMING AGENCY does not consent to comply with the modified General Provisions, PERFORMING AGENCY may exercise its termination options in accordance with the General Provisions, Termination Article.

ARTICLE 2. Term

The time period of this contract shall be governed by the term(s) of the Attachment(s). No commitment of contract funds is permitted prior to the first day or subsequent to the last day of the term. The term may be extended or shortened by amendment(s).

ARTICLE 3. Funding

This contract is contingent upon the availability of funding for each Attachment for the term of the Attachment. PERFORMING AGENCY shall have no right of action against the State of Texas or RECEIVING AGENCY in the event that RECEIVING AGENCY is unable to fulfill its obligations under this contract as a result of lack of sufficient funding of RECEIVING AGENCY for any Attachment(s) to this contract. If funds become unavailable, provisions of the Termination Article will apply.

ARTICLE 4. Amendments

This contract may be amended only if the amendment is in writing and signed by individuals with authority to bind all parties.

PERFORMING AGENCY shall not perform and RECEIVING AGENCY shall not pay for the performance of different or additional services, work, or products except pursuant to an amendment of this contract that is executed in compliance with this Article. RECEIVING AGENCY may not waive any term, covenant, or condition of this contract unless by amendment executed in compliance with this Article.

PERFORMING AGENCY shall plan expenditures so that any necessary budget revisions or amendments are executed no later than 90 days prior to the expiration of the Attachment term. PERFORMING AGENCY shall provide a written justification for any budget revisions and/or amendments. If a budget revision or amendment is requested during the last quarter of the Attachment term, the written justification must include a reason for the delay.

ARTICLE 5. Applicable Laws and Standards

This contract shall be interpreted under and in accordance with the laws of the State of Texas and enabling state rules. Where applicable, federal statutes and regulations, including federal grant requirements applicable to funding sources, will apply to this contract.

The Uniform Grant and Contract Management Act (UGCMA), Texas Government Code, Chapter 783, Vernon's Texas Codes Annotated (VTCA), and the Uniform Grant Management Standards (UGMS) as amended by revised federal circulars and incorporated in UGMS by the Governor's Budget and Planning Office, apply as terms and conditions of this contract and are adopted by reference in their entirety. If a conflict arises between the provisions of this contract and the provisions of UGCMA and UGMS, the provisions of UGCMA and UGMS will prevail unless expressly stated otherwise.

RECEIVING AGENCY must give prior approval for changes to contract Attachment(s) as specified by UGMS in "Part III-State Uniform Requirements for Grants and Cooperative Agreement, Subpart C-Post-Award Requirements, item ____30-Changes" and applicable federal Office of Management and Budget (OMB) circulars. RECEIVING AGENCY will provide copies of applicable OMB circulars, Code of Federal Regulations, and UGMS to PERFORMING AGENCY upon request. These documents are incorporated by reference as a condition of this contract.

PERFORMING AGENCY may not use funds granted under this contract to pay any person for influencing or attempting to influence an officer or employee of any agency; federal or state; a Member of Congress; an officer or employee of Congress; an employee of a Member of Congress in connection with the awarding of any contract or grant or the extension, continuation, renewal, amendment, or modification of any contract or grant (31 USC §1352 and UGMS). If at any time this contract exceeds \$100,000, regardless of funding source, PERFORMING AGENCY shall file with RECEIVING AGENCY a declaration containing the name of any registrant under the Lobbying Disclosure Act of 1995 who has made lobbying contacts on behalf of PERFORMING AGENCY in connection with that contract or grant, a certification that none of the funds provided by RECEIVING AGENCY have been or will be used for payment to lobbyists, and disclosure of the names of any and all registered lobbyists with whom PERFORMING AGENCY has an agreement. PERFORMING AGENCY shall require any person who receives a subgrant or subcontract to file the same declaration, certification and disclosure with RECEIVING AGENCY. PERFORMING AGENCY shall file the declaration, certification, and disclosure at the time of application for the contract or grant; upon execution of a contract or grant unless PERFORMING AGENCY previously filed a declaration, certification or disclosure form in connection with the award; and at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any declaration, certification or disclosure

previously filed. RECEIVING AGENCY will supply the certification form to PERFORMING AGENCY upon request.

PERFORMING AGENCY, if a corporation, certifies by execution of this contract that its payment of franchise taxes is currently in “good standing” with the State of Texas or that it is exempt from payment of franchise taxes under Texas law (Tax Code, Chapter 171, VTCA). A false statement regarding franchise tax status is a material breach of this contract. If franchise tax payments become delinquent during the Attachment term, payments under this contract will be withheld until PERFORMING AGENCY’s delinquent franchise tax is paid in full.

ARTICLE 6. Debarment and Suspension

PERFORMING AGENCY certifies by execution of this contract to the following:

- it is not ineligible for participation in federal or state assistance programs under Executive Order 12549, Debarment and Suspension;
- neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency;
- it has not knowingly failed to pay a single substantial debt or a number of outstanding debts to a federal or state agency; and
- it is not subject to an outstanding judgment in a suit against PERFORMING AGENCY for collection of the balance of a debt.

Where PERFORMING AGENCY is unable to certify to any of the statements in this Article, PERFORMING AGENCY shall attach an explanation.

PERFORMING AGENCY shall not contract with a subrecipient nor procure goods or services from a subcontractor, at any tier, which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549.

ARTICLE 7. Assurances

PERFORMING AGENCY shall establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain.

To the extent such provisions are applicable to PERFORMING AGENCY, PERFORMING AGENCY agrees to fully comply with the following:

- Title VI of the Civil Rights Act of 1964, 42 USC §§2000d *et seq.* (P.L. 88-352), which prohibits discrimination on the basis of race, color or national origin, and includes the provision for effective communication and equal access to programs, services and activities to persons with Limited English Proficiency (LEP);
- Title IX of the Education Amendments of 1972, as amended, 20 USC §§1681-1683, and 1685-1686, which prohibits discrimination on the basis of sex;
- Section 504 of the Rehabilitation Act of 1973, 29 USC §794(a), which prohibits discrimination on the basis of disabilities and the Americans with Disabilities Act of 1990, 42 USC §§12101 *et*

seq., including the provision for effective communication and equal access to programs, services and activities to persons with sensory and speech impairments;

The Age Discrimination Act of 1975, as amended, 42 USC §§6101-6107, which prohibits discrimination on the basis of age;

The Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;

The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to the nondiscrimination on the basis of alcohol abuse or alcoholism;

Public Health Service Act of 1912, §§523 and 527, 42 USC §290 dd-2, as amended, relating to confidentiality of alcohol and drug abuse patient records;

Title VIII of the Civil Rights Act of 1968, 42 USC §§3601 *et seq.*, as amended, relating to nondiscrimination in the sale, rental or financing of housing; and,

The requirements of any other nondiscrimination statute(s).

Collectively, such requirements obligate RECEIVING AGENCY to provide services without discrimination on the basis of race, color, national origin, age, sex, or disability. PERFORMING AGENCY shall carry out the terms of this contract in a manner which will assist RECEIVING AGENCY in complying with such obligations to the fullest extent of PERFORMING AGENCY's ability.

PERFORMING AGENCY agrees to comply with all or part of the following, as applicable:

- A. Texas Labor Code, Chapter 21, VTCA, which requires that certain employers not discriminate on the basis of race, color, disability, religion, sex, national origin, or age.
- B. Immigration Reform and Control Act of 1986, 8 USC §§1324a *et seq.*, as amended, regarding employment verification and retention of verification forms for any individual(s) hired on or after November 6, 1986, who will perform any labor or services under this contract.
- C. Pro-Children Act of 1994, 20 USC §§6081-6084, regarding the provision of a smoke-free workplace and promoting the non-use of all tobacco products.
- D. The National Research Service Award Act of 1971, as amended, 42 USC §§288 *et seq.* and 6601 (P.L. 93-348 and P.L. 103-43) regarding the protection of human subjects involved in research, development, and related activities supported by any applicable award of federal assistance.
- E. The Clinical Laboratory Improvement Amendments of 1988, 42 USC §263a, which establish federal requirements for the regulation and certification of clinical laboratories.
- F. The Occupational Safety and Health Administration Regulations on Blood Borne Pathogens, 56 Fed. Reg. 64175 (1991), 29 CFR §1910.1030, which set safety standards for those workers and facilities who may handle blood borne pathogens.
- G. Laboratory Animal Welfare Act of 1966, 7 USC §§2131 *et seq.* (P.L. 89-544), as amended, pertaining to the care, handling, and treatment of warm-blooded animals held for research, teaching, or other activities supported by this award of assistance.
- H. Article 9102, Texas Revised Civil Statutes (TRCS), as amended, pertaining to standards which eliminate architectural barriers for persons with disabilities.
- I. Health and Safety Code §165.004 (Vernon's Supp. 1998), relating to the promotion of breast-feeding by providing information that encourages breast-feeding to program participants who are pregnant women or mothers with infants. Promotional material may be requested from RECEIVING AGENCY by calling (512) 406-0744.
- J. Environmental standards pursuant to the following:

- (1) Institution of environmental quality control measures under the National Environmental Policy Act of 1969, 42 USC §§4321-4347 (P.L. 91-90) and Executive Order 11514 “Protection and Enhancement of Environmental Quality.”
 - (2) Notification of violating facilities pursuant to Executive Order 11738 “Providing for Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans.”
 - (3) Protection of wetlands pursuant to Executive Order 11990.
 - (4) Evaluation of flood hazards in floodplains in accordance with Executive Order 11988.
 - (5) Assurance of project consistency with the approved State Management program developed under the Coastal Zone Management Act of 1972, 16 USC §§1451 *et seq.*
 - (6) Conformity of federal actions to state clean air implementation plans under the Clean Air Act of 1955, as amended, 42 USC §§7401 *et seq.*
 - (7) Protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, 42 USC §§300f-300j (P.L. 93-523).
 - (8) Protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
- K. The Hatch Political Activity Act, 5 USC §§7321-29, which limits the political activity of employees whose principal employment activities are funded in whole or in part with federal funds.
- L. The Federal Fair Labor Standards Act and the Intergovernmental Personnel Act of 1970, as applicable, concerning minimum wage and maximum hours.

PERFORMING AGENCY shall ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency’s (EPA) list of Violating Facilities and shall notify the Federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA (Executive Order 11738).

PERFORMING AGENCY shall comply with the flood insurance purchase requirements of 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234). Section 102 (a) requires the purchase of flood insurance in communities where the insurance is available as a condition for the receipt of any federal financial assistance for construction or acquisition proposed for use in any area that has been identified by the Secretary of the U.S. Department of Housing and Urban Development as an area having special flood hazards.

As required by Texas Family Code, §231.006, VTCA, a child support obligor who is more than 30 days delinquent in paying child support and a business entity in which the obligor is a sole proprietor, partner, shareholder, or owner with an ownership interest of at least 25% is not eligible to receive payments from state funds under a contract to provide property, materials, or services or receive a state-funded grant or loan. If applicable, PERFORMING AGENCY agrees to comply with these provisions, certifies that it is not ineligible to receive the payments specified in this contract, and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate.

PERFORMING AGENCY shall comply with the requirements of the Texas Workers’ Compensation Act, Labor Code, Chapters 401-406, VTCA, and rules promulgated thereunder found at 28 Texas Administrative Code (TAC), Chapter 41, *et seq.*, which cover compensation for employees’ injuries.

When incorporated into a contract, standard assurances contained in the application package, if any, become terms or conditions for receipt of RECEIVING AGENCY funds. PERFORMING AGENCY and its subrecipients

shall maintain an appropriate contract administration system to insure that all terms, conditions, and specifications are met.

PERFORMING AGENCY shall comply with all federal tax laws and is solely responsible for filing all required state and federal tax forms.

PERFORMING AGENCY shall comply with all applicable requirements of federal and state laws, executive orders, regulations and policies governing the activity described in Attachment(s), and with the applicable standard conditions or assurances prescribed by UGMS in "Part III-State Uniform Requirements for Grants and Cooperative Agreement, Subpart B-Pre-Award Requirements, item ____14-State Assurances."

PERFORMING AGENCY assures it shall not transfer, assign or sell its interest in this contract, or in any equipment purchased with funds from this contract, without the written consent of RECEIVING AGENCY.

ARTICLE 8. Intellectual Property

Texas Health and Safety Code §12.020(a), VTCA, authorizes RECEIVING AGENCY to apply for, register, secure, hold, and protect a patent, copyright, trademark or other evidence of protection or exclusivity issued in or for intellectual property.

"Intellectual property" consists of inventions; discoveries; improvements to any process, machine, manufacture, or composition of matter; products; technology; scientific information; trade secrets; computer software; literary works; musical works with any accompanying words; dramatic works with any accompanying music; pantomimes and choreographic works; pictorial, graphic, and sculptural works; motion pictures and other audiovisual works; sound recordings; architectural works; words, names, symbols, devices, slogans or any combination thereof which have been adopted and used by RECEIVING AGENCY to identify goods and/or services and distinguish them from those of others; and any other creative works if they may be protected by a patent, copyright, trademark, service mark, collective mark, or certification mark or other evidence of protection or exclusivity whether or not protection or exclusivity has been applied for or received.

"Mark," for purposes of trademark and service mark, includes a word, name, symbol, device, slogan or any combination thereof which has been adopted and used by RECEIVING AGENCY to identify goods and/or services and distinguish them from those of others. Federal trademark law also provides for collective marks and certification marks.

"Patent" protects any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement.

"Work made for hire" is a work prepared by an employee within the scope of his or her employment; or a work specially ordered or commissioned for use as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instructional text, as a test, as answer material for a test, or as an atlas, and the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire.

The term "works," for purposes of federal copyright law, includes software; literary works; musical works with any accompanying words; dramatic works with any accompanying music; pantomimes and choreographic works; pictorial, graphic, and sculptural works; motion pictures and other audiovisual works, sound recordings and architectural works.

All work performed that results in the production of original books, manuals, films, or other original material is the exclusive property of RECEIVING AGENCY. All right, title, and interest in and to said property shall vest in RECEIVING AGENCY upon creation. All work performed shall be deemed to be a “work made for hire” for copyright purposes and made in the course of the services rendered pursuant to this contract. To the extent that title to any such work may not, by operation of law, vest in RECEIVING AGENCY or such work may not be considered a work made for hire, all rights, title and interest therein are hereby irrevocably assigned to RECEIVING AGENCY. RECEIVING AGENCY shall have the right to obtain and to hold in its own name any and all patents, copyrights, trademarks, service marks, certification marks, collective marks, registrations, or such other protection as may be appropriate to the subject matter, and any extensions and renewals thereof. PERFORMING AGENCY shall ensure all rights, titles, and interest in and to the intellectual property are secured to RECEIVING AGENCY from PERFORMING AGENCY and its subrecipients. PERFORMING AGENCY agrees to give RECEIVING AGENCY and agrees to require its subrecipients to give RECEIVING AGENCY, or any person designated by RECEIVING AGENCY, all assistance required to perfect the rights defined in this Article, without any charge or expense beyond those amounts payable to PERFORMING AGENCY for the services rendered under the contract.

If federal funds are used to finance activities supported by the contract Attachment(s) that result in the production of original books, manuals, films, or other original material, the federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for federal government purposes (1) the copyright in any work developed under a grant, subgrant, or contract under a grant or subgrant; and (2) any rights of copyright to which a PERFORMING AGENCY or its subrecipient purchases ownership with grant support. PERFORMING AGENCY shall place an acknowledgment of federal awarding agency grant support and a disclaimer, as appropriate, on any publication written or published with such support and, if feasible, on any publication reporting the results of or describing a grant-supported activity. An acknowledgment shall be to the effect that “This publication was made possible by grant number _____ from (federal awarding agency)” or “The project described was supported by grant number _____ from (federal awarding agency)” and “Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the (federal awarding agency).”

In the event the terms of a federal grant award the copyright to PERFORMING AGENCY, RECEIVING AGENCY reserves a royalty-free, nonexclusive, worldwide and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for RECEIVING AGENCY, public health, and state governmental noncommercial purposes (1) the copyright, mark, and patent on an invention, discovery, or improvement to any process, machine, manufacture, or composition of matter; products; technology; scientific information; trade secrets; and computer software, in any work developed under a grant, subgrant, or contract under a grant or subgrant; and (2) any rights of copyright, service or trade marks or patents to which a grantee, subgrantee or a contractor purchases ownership with grant support.

PERFORMING AGENCY may publish the results of the contract performance if those results are subject to copyright law at its expense with prior RECEIVING AGENCY review and approval. RECEIVING AGENCY will not withhold the approval unreasonably. If RECEIVING AGENCY withholds approval, PERFORMING AGENCY may still publish the results of the contract performance but shall not reference the Texas Department of Health in any manner. If RECEIVING AGENCY approves and owns the copyright, any publication should include “© Texas Department of Health, 1100 West 49th Street, Austin, Texas, (the year of publication), All Rights Reserved.” If PERFORMING AGENCY is the copyright holder, any publication shall include acknowledgment of the support received from RECEIVING AGENCY. At least six copies of any such publication must be provided to RECEIVING AGENCY. RECEIVING AGENCY reserves the right to require additional copies before or after the initial review.

PERFORMING AGENCY and any subrecipient, as appropriate, must comply with the standard patent rights clauses in 37 Code of Federal Regulations §401.14 or Federal Acquisition Regulations 52.227.11.

ARTICLE 9. Historically Underutilized Businesses

RECEIVING AGENCY shall comply with Texas Government Code, Chapter 2161, VTCA, and 1 TAC §§111.11-111.24 whereby state agencies are required to make a good faith effort to assist historically underutilized businesses (HUBs) in receiving contract awards issued by the state to purchase “goods,” which are defined as “supplies, materials, or equipment,” services, or public works.

If PERFORMING AGENCY subcontracts a portion of this contract, PERFORMING AGENCY agrees to make a good faith effort to subcontract with HUBs during the performance of its contract Attachment(s) with RECEIVING AGENCY and will report HUB subcontract activity on a quarterly basis to RECEIVING AGENCY.

PERFORMING AGENCY and its subrecipient(s), if any, are encouraged to use minority banks (a bank which is owned at least 50 percent by minority group members).

ARTICLE 10. Certification Regarding License, Certificate, or Permit

RECEIVING AGENCY may pay PERFORMING AGENCY only for personnel who are duly licensed and/or qualified to perform required services.

PERFORMING AGENCY certifies that no owner, operator, or administrator of PERFORMING AGENCY has had a license, certificate, or permit revoked by any of the Texas state agencies listed below:

- Adjutant General’s Department
- Board of Private Investigators and Private Security Agencies
- Interagency Council on Early Childhood Intervention
- Texas Alcoholic Beverage Commission
- Texas Cancer Council
- Texas Children’s Trust Fund of Texas Council
- Texas Commission for the Deaf and Hard of Hearing
- Texas Commission on Alcohol and Drug Abuse
- Texas Commission on Jail Standards
- Texas Commission on Law Enforcement Officers Standards & Education
- Texas Commission on Fire Protection
- Texas Council on Sex Offender Treatment
- Texas Criminal Justice Policy Council
- Texas Department of Criminal Justice
- Texas Department of Human Services
- Texas Department of Mental Health & Mental Retardation
- Texas Department of Protective and Regulatory Services
- Texas Department of Public Safety
- Texas Department of Health
- Texas Health & Human Services Commission
- Texas National Guard Armory Board
- Texas Polygraph Examiners Board

- Texas Rehabilitation Commission
- Texas Youth Commission

ARTICLE 11. Conflict of Interest

PERFORMING AGENCY does not have nor shall it knowingly acquire any interest that would conflict in any manner with the performance of its obligations under this contract. Potential conflicts of interest include an existing business or personal relationship between PERFORMING AGENCY, its principal, or any affiliate or subrecipient with RECEIVING AGENCY, its board members, officers or employees, or any other entity or person involved in any way in any project that is the subject of this contract.

ARTICLE 12. Year-2000 Certification

PERFORMING AGENCY certifies that any supplied or supported software, hardware, firmware and micro code products used individually or together as a system to comply with RECEIVING AGENCY contract requirements will be year-2000-compliant on or before the date such hardware, software, firmware and systems are to be impacted. Year-2000-compliant means that such product operates “accurately” in the manner in which it was intended as it relates to date related operations when given a “valid date” containing century, year, month, and day.

For purposes of this Article, “supplied or supported software, hardware, firmware and micro code products” does not include software supported by RECEIVING AGENCY or an agency of the federal government.

PERFORMING AGENCY is responsible for installing and implementing year-2000-compliant versions of any software provided by RECEIVING AGENCY or an agency of the federal government which is used in performance of this contract.

For purposes of this Article,

- 1) “accurately” is defined to include the following:
 - a) calculations must be correctly performed using four-digit year processing;
 - b) functionality-on-line, batch including entry, inquiry, maintenance and updates must support four-digit year processing;
 - c) interfaces and reports must support four-digit year processing;
 - d) successful translation into year-2000 with the correct system date (e.g., 01/01/2000) must occur without human intervention;
 - e) processing with a four-digit year after transition to any date beyond the year 2000 must occur without human intervention;
 - f) correct results in forward and backward date calculation spanning century boundaries must be provided;
 - g) correct leap year calculations must be performed; and
 - h) processing correct results in forward and backward date calculation spanning century boundaries must occur, including the conversion of previous years currently stored as two digits;

- 2) “date integrity” shall mean all manipulations of time-related data (dates, durations, days of week, etc.) will produce desired results for all valid date values within the application domain;

- 3) “explicit century” shall mean date elements in interfaces and data storage permit specifying century to eliminate date ambiguity;
- 4) “extraordinary actions” shall be defined to mean any action outside the normal documented processing steps identified in the product’s reference documentation;
- 5) “general integrity” shall mean no value for current date will cause interruptions in desired operation - especially from the 20th to 21st centuries;
- 6) “implicit century” shall mean for any data element without century, the correct century is unambiguous for all manipulations involving that document;
- 7) “product” or “products” shall be defined to include, but is not limited to, any supplied or supported hardware, software, firmware and/or micro code;
- 8) “valid date” shall contain a two-digit month, a two-digit day and a four-digit year.

PERFORMING AGENCY and its subrecipient(s) must obtain a warranty from any vendor/licensor from which it obtains product(s) that product(s) delivered and installed under the contract/license shall be able to accurately process valid date data when used in accordance with the product documentation provided by the contractor/ licensor and require no extraordinary actions on the part of PERFORMING AGENCY, its personnel, or its subrecipient(s). Products under the contract/license possess general integrity, date integrity, explicit and implicit century capabilities. If the contract/license requires that specific products must perform as a system in accordance with the foregoing warranty, then the warranty shall apply to those listed products as a system. The duration of this warranty and the remedies available to PERFORMING AGENCY or its subrecipient(s) for breach of the warranty shall be defined in, and subject to, the terms and conditions of the contractor’s standard commercial warranty or warranties contained in the contract/license; provided, that notwithstanding any provision to the contrary in such commercial warranty or warranties, the remedies available to PERFORMING AGENCY or its subrecipient(s) shall include repair or replacement of any supplied product whose noncompliance is discovered and made known to the contractor/licensor in writing within ninety (90) days after final acceptance. Nothing in the warranty shall be considered to limit any rights or remedies PERFORMING AGENCY or its subrecipient(s) may otherwise have under the contract/license with respect to defects other than Year-2000 performance.

RECEIVING AGENCY will not hold PERFORMING AGENCY responsible if the information coming to PERFORMING AGENCY’s product/software from RECEIVING AGENCY is inaccurate or corrupt.

ARTICLE 13. Standards for Financial and Programmatic Management

PERFORMING AGENCY shall develop, implement, and maintain financial management and control systems that meet or exceed the requirements of UGMS as detailed in RECEIVING AGENCY’s Financial Administrative Procedures Manual. Those requirements shall include at a minimum:

- A. Financial planning, including the development of budgets that adequately reflect all functions and resources necessary to carry out authorized activities and the adequate determination of costs;
- B. Financial management systems including accurate, correct, and complete payroll, accounting, and financial reporting records; cost source documentation; effective internal and budgetary controls;

determination of reasonableness, allowableness, and allocability of costs; and timely and appropriate audits and resolution of any findings; and,

- C. Billing and collection policies, including a fee schedule, a system for discounting or adjusting charges based on a person's income and family size, and a mechanism capable of billing and making reasonable efforts to collect from patients and third parties.

PERFORMING AGENCY must bill all third party payers for services provided under the Attachment(s) before submitting any request for reimbursement to RECEIVING AGENCY. A third party payer is any person or entity who has the legal responsibility for paying all or part of the services provided, including commercial health or liability insurance carriers, Medicaid, or other federal, state, local and private funding sources. Third party billing functions will be provided by PERFORMING AGENCY at no cost to the client. PERFORMING AGENCY or its subrecipient must become a Medicaid provider if performing approved Texas Medicaid services authorized by the Attachment(s).

PERFORMING AGENCY, if designated a 501(c)(3) organization as defined in the Internal Revenue Service Code or a for-profit organization, and its governing board, shall bear full responsibility for the integrity of the fiscal and programmatic management of the organization. Such responsibility shall include: accountability for all funds and materials received from RECEIVING AGENCY; compliance with RECEIVING AGENCY rules, policies, procedures, and applicable federal and state laws and regulations; and correction of fiscal and program deficiencies identified through self-evaluation and RECEIVING AGENCY's monitoring processes. Further, PERFORMING AGENCY's governing board shall ensure separation of powers, duties, and functions of board members and staff. Ignorance of any contract provisions or other requirements contained or referenced in this contract shall not constitute a defense or basis for waiving or appealing such provisions or requirements.

ARTICLE 14. Bonding

PERFORMING AGENCY is required to carry a fidelity bond or insurance coverage equal to the amount of funding provided under the contract Attachment(s) up to \$100,000 that covers each employee of PERFORMING AGENCY handling funds under this contract, including person(s) authorizing payment of such funds. The fidelity bond or insurance will provide for indemnification of losses occasioned by: 1) any fraudulent or dishonest act or acts committed by any of PERFORMING AGENCY's employees, either individually or in concert with others, and/or 2) failure of PERFORMING AGENCY or any of its employees to perform faithfully his/her duties or to account properly for all monies and property received by virtue of his/her position or employment.

ARTICLE 15. Funding Participation Requirement

PERFORMING AGENCY agrees funds provided through this contract will not be used for matching purposes in securing other funding unless otherwise directed or approved by RECEIVING AGENCY.

ARTICLE 16. Allowable Costs and Audit Requirements

Only those costs allowable under UGMS and any revisions thereto plus any applicable federal cost principles are eligible for reimbursement under this contract. Applicable cost principles, audit requirements, and administrative requirements are as follows:

Applicable Cost Principles*	Audit Requirements*	Administrative Requirements*
OMB Circular A-87, State & Local Governments	OMB Circular A-133	UGMS
OMB Circular A-21, Educational Institutions	OMB Circular A-133	OMB Circular A-110
OMB Circular A-122, Non-Profit Organizations	OMB Circular A-133 and UGMS	UGMS
48 CFR Part 31, For-profit Organization other than a hospital and an organization named in OMB Circular A-122 as not subject to that circular	Program audit conducted by an independent certified public accountant must be in accordance with Governmental Auditing Standards.	

* OMB Circulars shall be applied with the modifications prescribed by UGMS.

PERFORMING AGENCY must have incurred a cost within the applicable Attachment term to be eligible for reimbursement under this contract. PERFORMING AGENCY must incur cost(s) prior to requesting reimbursement under this contract. No later than 90 days after the end of the applicable Attachment term, RECEIVING AGENCY must receive vouchers from PERFORMING AGENCY for costs encumbered on or before the last day of the applicable Attachment term. Reimbursement requests submitted and postmarked more than 90 days following the end of the applicable Attachment term may or may not be reimbursed, at the discretion of RECEIVING AGENCY.

PERFORMING AGENCY or the AUTHORIZED CONTRACTING ENTITY shall arrange for a financial and compliance audit (Single Audit) if required by OMB Circular A-133 and/or UGMS. The audit shall be of PERFORMING AGENCY's or the AUTHORIZED CONTRACTING ENTITY's fiscal year. The audit must be conducted by an independent certified public accountant and in accordance with applicable OMB Circulars, Government Auditing Standards, and UGMS. PERFORMING AGENCY shall procure audit services in compliance with state procurement procedures, as well as with the provisions of UGMS.

If PERFORMING AGENCY is not required to have a Single Audit, a limited scope audit may be required. RECEIVING AGENCY will provide PERFORMING AGENCY with written audit requirements if a limited scope audit is required.

Within 30 days of receipt of the audit reports required by this section, PERFORMING AGENCY/AUTHORIZED CONTRACTING ENTITY shall submit a copy to RECEIVING AGENCY's Internal Audit Division.

ARTICLE 17. Terms and Conditions of Payment

For services satisfactorily performed pursuant to this contract, RECEIVING AGENCY will reimburse PERFORMING AGENCY for allowable costs. Reimbursements are contingent on a signed contract and will not exceed the total of each Attachment(s). PERFORMING AGENCY is entitled to payment only if the service, work, and/or product has been satisfactorily performed and authorized in accordance with this contract.

PERFORMING AGENCY must submit requests for reimbursement on a State of Texas Purchase Voucher (TDH Form B-13) or any other form designated by RECEIVING AGENCY. PERFORMING AGENCY shall submit vouchers for reimbursement monthly within 30 days following the end of the month covered by the bill. PERFORMING AGENCY shall submit a reimbursement request as a final close-out bill not later than 90 days following the end of the applicable Attachment term(s). Reimbursement requests submitted and postmarked more than 90 days following the end of the applicable Attachment term may not be paid, at the discretion of RECEIVING AGENCY.

For any contract Attachments beginning on or after September 1, 1999, PERFORMING AGENCY shall disburse program income, rebates, refunds, contract settlements, audit recoveries and interest earned on such funds before requesting cash payments including advance payments from RECEIVING AGENCY.

RECEIVING AGENCY is required to place PERFORMING AGENCY on Direct Deposit status in accordance with Texas Government Code, §403.016(c), VTCA. PERFORMING AGENCY will no longer receive copies of vouchers.

Funding from this contract may not be used to supplant state or local funds, but PERFORMING AGENCY shall use the funds from this contract to increase state or local funds currently available for a particular activity. PERFORMING AGENCY shall maintain its current level of support, if possible.

RECEIVING AGENCY shall determine whether costs submitted by PERFORMING AGENCY are allowable and reimbursable. If RECEIVING AGENCY has paid funds to PERFORMING AGENCY for unallowable or ineligible costs, PERFORMING AGENCY shall return the funds to RECEIVING AGENCY within 30 days of written notice.

RECEIVING AGENCY may withhold all or part of any payments to PERFORMING AGENCY to offset reimbursement for any ineligible expenditures that PERFORMING AGENCY has not refunded to RECEIVING AGENCY. RECEIVING AGENCY may take repayment from funds available under any contract Attachment, active or expired, in amounts necessary to fulfill PERFORMING AGENCY repayment obligations.

ARTICLE 18. Advance Payments

PERFORMING AGENCY may request a one-time advance for each Attachment only to meet immediate need for cash disbursement. PERFORMING AGENCY must make the request on State of Texas Purchase Voucher, accompanied by written justification and supporting documentation as specified in RECEIVING AGENCY's Financial Administrative Procedures Manual. The advance shall be requested at the beginning of the applicable Attachment period, or at a later time in the applicable Attachment period if circumstances so warrant. Approval of the request for advance will be at the discretion of RECEIVING AGENCY. If the request is approved, the voucher will be processed; if disapproved, RECEIVING AGENCY will provide written notification to PERFORMING AGENCY.

RECEIVING AGENCY will determine the amount of the advance, if any, by the amount and term of the applicable Attachment(s). For each Attachment, the amount of the advance shall not exceed an amount equal to the amount of the Attachment divided by the number of months covered by the Attachment multiplied by two (2). Advance funds will be expended during the applicable Attachment term so that, after the final monthly billing, PERFORMING AGENCY will not have advance funds on hand.

If the Attachment is amended to increase or decrease the total amount, RECEIVING AGENCY may make an upward or downward adjustment to the allowable advance in accordance with the above formula. If PERFORMING AGENCY is requesting an upward adjustment, PERFORMING AGENCY must submit a written justification and State of Texas Purchase Voucher in the amount necessary to correct the ratio. If the adjustment is downward, RECEIVING AGENCY will determine the amount of adjustment to the advance and the method of repayment.

ARTICLE 19. Program Income

PERFORMING AGENCY may develop a fee-for-service system and a schedule of fees for personal health services in accordance with the provisions of Chapter 12, Subchapter D, Health and Safety Code, VTCA; the Texas Board of Health rules covering Fees for Clinical Health Services, 25 TAC §1.91; and other applicable laws. No patient may be denied a service due to inability to pay.

All revenues directly generated by an Attachment(s) supported activity or earned only as a result of the Attachment(s) during the term of the Attachment(s) are considered program income. PERFORMING AGENCY shall identify and report this income utilizing the forms and time frames specified in the Reports Article of these provisions.

PERFORMING AGENCY shall utilize one of the following methods for applying program income:

1. Additive method - add the program income to the funds already committed to the project by both parties. Program income will be used by PERFORMING AGENCY to further the program objectives of the state/federal statute under which the Attachment(s) was/were made, and it shall be spent on the same project in which it was generated.
2. Deductive method - deduct the program income from the total allowable costs to determine the net allowable costs.

PERFORMING AGENCY must expend program income during the Attachment term in which it is earned, and may not carry forward to the succeeding term. Program income not expended in the term in which it is earned shall be refunded to RECEIVING AGENCY.

RECEIVING AGENCY may base future funding levels, in part, upon PERFORMING AGENCY's proficiency in identifying, billing, collecting, and reporting program income, and in utilizing it for the purposes and conditions of the applicable Attachment(s).

ARTICLE 20. Overtime Compensation

PERFORMING AGENCY shall not use any of the funds provided by the Attachment(s) hereto to pay the premium portion of overtime. PERFORMING AGENCY shall be responsible for any obligations of premium overtime pay due employees. Premium overtime pay is defined as any compensation paid to an individual in addition to the normal rate of pay for hours worked in excess of normal working hours.

ARTICLE 21. Equipment and Supplies

In accordance with Health & Safety Code, §12.053, VTCA, title to all equipment and supplies purchased from funds from this contract will be in the name of PERFORMING AGENCY throughout the Attachment(s) term(s) or until the Attachment is terminated.

Equipment is defined as tangible nonexpendable property with an acquisition cost of more than \$1,000 and a useful life of more than one year, with the following exceptions: fax machines, stereo systems, cameras, video recorder/players, microcomputers, software, medical equipment, laboratory equipment, and printers. If the unit cost of these exception items is more than \$500, they will still be considered equipment, must be approved for purchase, and are considered capital assets for inventory purposes. Medical and laboratory equipment in this category is defined as microscopes, oscilloscopes, centrifuges, balances, and incubators. Medical and laboratory equipment not included in these five categories is not considered a capital asset unless the unit value is more than \$1,000. Supplies which may be necessary to carry out the contract include medical supplies, drugs, janitorial supplies, office supplies, patient educational supplies, software less than \$500, plus any equipment with a purchase price including freight not to exceed \$1,000 per item, except those defined as "equipment."

Unless initially listed and approved in the Attachment(s), prior written approval from RECEIVING AGENCY is required for any changes to approved equipment purchases meeting the above equipment definition. To receive approval to purchase data processing hardware and software or enhancements, PERFORMING AGENCY must submit a detailed justification and specification which include a description of features, make and model, and cost, etc.

PERFORMING AGENCY shall maintain a property inventory and submit an annual cumulative report (TDH Form GC-11) to RECEIVING AGENCY no later than October 15th of each year. PERFORMING AGENCY shall administer a program of maintenance, repair, and protection of assets under this contract so as to assure their full availability and usefulness. In the event PERFORMING AGENCY is indemnified, reimbursed, or otherwise compensated for any loss of, destruction of, or damage to the assets provided under this contract, it shall use the proceeds to repair or replace said assets.

In the event of bankruptcy, PERFORMING AGENCY shall sever RECEIVING AGENCY property, equipment, and supplies in possession of PERFORMING AGENCY from the bankruptcy, and title shall revert to RECEIVING AGENCY.

Upon termination or expiration of applicable Attachment(s), title to any remaining equipment and supplies purchased from funds under this contract reverts to RECEIVING AGENCY. Title may be transferred to any other party designated by RECEIVING AGENCY. RECEIVING AGENCY may, at its option and to the extent allowed by law, transfer the reversionary interest to such property to PERFORMING AGENCY.

ARTICLE 22. Contracts with Subrecipients

PERFORMING AGENCY may enter into contracts with subrecipients unless restricted or otherwise prohibited in specific Attachment(s). PERFORMING AGENCY is responsible to RECEIVING AGENCY for the performance of any subrecipient.

Contracts with subrecipients shall be in writing and must include the following:

- name and address of all parties;

- a detailed description of the services to be provided;
- measurable method and rate of payment and total amount of the contract;
- clearly defined and executable termination clause;
- beginning and ending dates which coincide with the dates of the applicable contract Attachment(s) or cover a term within the beginning and ending dates of the applicable contract Attachment(s);
- access to inspect the work and the premises on which any of the work is performed, in accordance with the Inspections Article contained in this contract; and
- all clauses required by state/federal statutes, executive orders, and their implementing regulations.

PERFORMING AGENCY agrees that all contracts with subrecipients containing a categorical budget shall include audit requirements referenced in the Allowable Costs and Audit Requirements Article of this contract, as appropriate.

Prior to entering into an agreement equaling \$25,000 or 25% of an Attachment, whichever is greater, PERFORMING AGENCY shall obtain written approval from RECEIVING AGENCY.

PERFORMING AGENCY shall ensure that:

- subrecipients are fully aware of the requirements imposed upon them by state/federal statutes and regulations;
- subrecipients comply with all financial management requirements as defined by RECEIVING AGENCY and the applicable OMB circulars;
- subrecipients complete required audits;
- an adequate tracking system is maintained to ensure timely receipt of any subrecipient's required audit reports and the resolution of any findings and questioned costs cited by these reports.

ARTICLE 23. Contracts for Procurement

PERFORMING AGENCY may enter into contracts for procurement unless restricted or otherwise prohibited in specific Attachment(s). PERFORMING AGENCY agrees that it shall be responsible to RECEIVING AGENCY for the performance of any subcontracted activity.

Contracts for procurement shall be in writing and must contain the following provisions:

- Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate (contracts other than small purchases).
- Termination for cause and for convenience by PERFORMING AGENCY including the manner by which it will be effected and the basis for settlement (all contracts in excess of \$10,000).
- Compliance with the Copeland "Anti-Kickback" Act (18 USC 874) as supplemented in Department of Labor regulations (29 CFR Part 3) (all contracts and subgrants for construction or repair).
- Compliance with §§103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5) (construction contracts awarded by grantees and subgrantees in excess of \$2,000, and in excess of \$2,500 for other contracts which involve the employment of mechanics or laborers).

- Notice of RECEIVING AGENCY requirements and regulations pertaining to reporting.
- Notice of RECEIVING AGENCY requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.
- RECEIVING AGENCY requirements and regulations pertaining to copyrights and rights in data.
- Access by the RECEIVING AGENCY, the federal grantor agency, the Comptroller General of the United States, the State of Texas or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
- Retention of all required records for three years after RECEIVING AGENCY makes final payments and all other pending matters are closed.
- Compliance with all applicable standards, orders, or requirements issued under §306 of the Clean Air Act (42 USC 1857(h)), §508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15) (contracts, subcontracts, and subgrants of amounts in excess of \$100,000).
- Mandatory standards and policies relating to efficiency which are contained in the state energy plan issued in compliance with the Energy Policy and Conservation Act (P. L. 94-163).

ARTICLE 24. Reports

Financial reports are required as provided in UGMS, and PERFORMING AGENCY shall file them regardless of whether expenses have been incurred.

For each Attachment, PERFORMING AGENCY shall submit a Financial Status Report, State of Texas Supplemental Form 269a (TDH Form GC-4a) within 30 days following the end of each of the first three quarters. PERFORMING AGENCY shall submit a final financial report on State of Texas Supplemental Form 269a (TDH Form GC-4a), not later than 90 days following the end of the Attachment term(s). PERFORMING AGENCY shall submit a State of Texas Purchase Voucher if all costs have not been recovered, or PERFORMING AGENCY shall refund excess monies if costs incurred were less than funds received. Failure to file a purchase voucher in a timely manner may result in RECEIVING AGENCY disallowing payment.

PERFORMING AGENCY shall submit program and progress reports required by RECEIVING AGENCY in the format agreed to by the parties. PERFORMING AGENCY shall provide RECEIVING AGENCY other reports including financial reports RECEIVING AGENCY determines necessary to accomplish the objectives of this contract. If PERFORMING AGENCY is legally prohibited from providing such reports, it shall immediately notify RECEIVING AGENCY.

ARTICLE 25. Inspections

RECEIVING AGENCY and, when federal funds are involved, any authorized representative(s) of the federal government have the right, at all reasonable times, to inspect or otherwise evaluate the work (including reviews of client or patient records and discussions with staff) performed by PERFORMING AGENCY and its subrecipient(s), if any, and the premises on which the work is being performed. PERFORMING AGENCY and its subrecipient(s) shall participate in inspections and provide reasonable access, facilities, and assistance to the representatives. All inspections and evaluations will be performed in such a manner as will not unduly interfere with the work.

PERFORMING AGENCY and its subrecipient(s), if any, shall give RECEIVING AGENCY, the federal government, and the Texas State Auditor, or any of their duly authorized representatives, access to any pertinent books, documents, papers, and client or patient records, if any, for the purpose of making audit, examination, excerpts, and transcripts of transactions related to contract Attachment(s). RECEIVING AGENCY will have the right to audit billings both before and after payment. Payment under Attachment(s) will not foreclose the right of RECEIVING AGENCY to recover excessive or illegal payments.

Any deficiencies identified by RECEIVING AGENCY upon examination of PERFORMING AGENCY's records will be conveyed in writing to PERFORMING AGENCY. PERFORMING AGENCY's resolution of findings will also be conveyed in writing to RECEIVING AGENCY within 30 days of receipt of RECEIVING AGENCY's findings. A RECEIVING AGENCY determination of either an inadequate or inappropriate resolution of the findings may result in sanctions which will remain in effect until RECEIVING AGENCY determines the deficiencies are properly remedied.

ARTICLE 26. Records Retention

PERFORMING AGENCY shall retain, preserve and make available all required records for a period of three years from the date of the last expenditure report submitted under contract Attachment(s) or until all audit questions are resolved, or until any court orders requiring record retention are dissolved, whichever time period is longer. Microfilm copies of records required to be kept under the Attachment(s) may be substituted for the originals in accordance with guidelines and procedures approved by RECEIVING AGENCY, provided that the microfilm procedures are reliable and are supported by an adequate retrieval system, unless otherwise ordered by a court of general jurisdiction.

ARTICLE 27. Client Records

Notwithstanding any other provision herein, if requested by RECEIVING AGENCY, PERFORMING AGENCY shall share all patient information with RECEIVING AGENCY when the contract involves patient care by the PERFORMING AGENCY.

RECEIVING AGENCY may require PERFORMING AGENCY, or any subrecipient, to transfer a client or patient record to another agency or to RECEIVING AGENCY if the transfer is necessary to protect either the confidentiality of the record or the health and welfare of the client or patient.

In the event of termination, RECEIVING AGENCY may require the transfer of client or patient records as authorized by law upon written notice to PERFORMING AGENCY, either to another entity that agrees to continue the service or to RECEIVING AGENCY.

At the end of the Attachment term, PERFORMING AGENCY shall give RECEIVING AGENCY access to the records or provide copies for audit, examination, evaluation, inspection, litigation, or other circumstances that may arise, to the extent authorized by law.

PERFORMING AGENCY, or any subrecipient, shall not otherwise transfer an identifiable client record, including a patient record, to another entity or person without written consent from the client or patient, or someone authorized to act on his or her behalf. Written consent must be given on a form provided by RECEIVING AGENCY or as otherwise authorized by law, including the Texas Medical Practice Act, Article 4495b, TRCS.

ARTICLE 28. Confidentiality

PERFORMING AGENCY shall have a system in effect to protect client or patient records and all other documents deemed confidential by law which are maintained in connection with the activities funded under this contract. PERFORMING AGENCY shall not disclose or transfer confidential client or patient information, including information required by the Reports Article, except in accordance with applicable law.

If providing direct client care, services, or programs, PERFORMING AGENCY shall implement RECEIVING AGENCY's workplace policies based on the model guidelines, and PERFORMING AGENCY shall educate employees and clients concerning the human immunodeficiency virus (HIV) and its related conditions, including acquired immunodeficiency syndrome (AIDS), in accordance with the Health and Safety Code, §§85.112-114, VTCA.

ARTICLE 29. Hold Harmless

PERFORMING AGENCY, as an independent contractor, agrees to hold RECEIVING AGENCY and/or the federal government harmless and to indemnify them from any and all liability, suits, claims, losses, damages and judgments, and to pay all costs, fees, and damages to the extent that such costs, fees, and damages arise from performance or nonperformance of PERFORMING AGENCY under this contract.

ARTICLE 30. Sanctions

RECEIVING AGENCY may impose sanctions for any breach of contract, and will monitor PERFORMING AGENCY for both programmatic and financial compliance. RECEIVING AGENCY may, at its own discretion, impose one or more sanctions for each item of noncompliance and will determine sanctions on a case-by-case basis. A state or federal statute, rule, regulation, or federal guideline will prevail over the provisions of this Article unless the statute, rule, regulation, or guideline can be read together with the provision(s) of this Article to give effect to both.

RECEIVING AGENCY may:

- A. terminate all or a part of the contract. Termination is the permanent withdrawal of PERFORMING AGENCY's authority to obligate previously awarded funds before that authority would otherwise expire or the voluntary relinquishment by PERFORMING AGENCY to obligate previously awarded funds. PERFORMING AGENCY costs resulting from obligations incurred by PERFORMING AGENCY after termination of an award are not allowable unless expressly authorized by the notice of termination. Termination does not include: (1) withdrawal of funds awarded on the basis of the PERFORMING AGENCY's underestimate of the unobligated balance in a prior period; (2) withdrawal of the unobligated balance as of the expiration of a contract; (3) refusal to extend a contract or award additional funds, to make a competing or noncompeting continuation, renewal, extension, or supplemental award; or (4) voiding of a contract upon determination that the award was obtained fraudulently, or was otherwise illegal or invalid from inception;
- B. suspend all or part of the contract. Suspension is, depending on the context, either (1) the temporary withdrawal of PERFORMING AGENCY's authority to obligate funds pending corrective action by PERFORMING AGENCY or its subrecipient(s) or pending a decision to terminate or amend the contract, or (2) an action taken by a suspending official in accordance with agency regulations implementing Executive Order 12549 to immediately exclude a person from participating in contract transactions for

a period, pending completion of an investigation and such legal or debarment proceedings as may ensue. PERFORMING AGENCY costs resulting from obligations incurred by PERFORMING AGENCY during a suspension are not allowable unless expressly authorized by the notice of suspension;

- C. disallow (deny both use of funds and matching credit for) all or part of the activities or action not in compliance;
- D. temporarily withhold cash payments. Temporarily withholding cash payments means the temporary withholding of advances or reimbursements to PERFORMING AGENCY or its subrecipient(s) for proper charges or obligations incurred, pending resolution of issues of noncompliance with contract conditions or indebtedness to the United States or to the State of Texas;
- E. permanently withhold cash payments. Permanent withholding of cash payment means that RECEIVING AGENCY retains funds billed by PERFORMING AGENCY or its subrecipient(s) for a) unallowable, undocumented, disputed, inaccurate, improper, or erroneous billings; b) failure to comply with contract provisions; or c) indebtedness to the United States or to the State of Texas;
- F. deny contract renewal or future contract awards to a PERFORMING AGENCY for a certain period of time not to exceed five years;
- G. delay contract execution with PERFORMING AGENCY while other imposed or proposed sanctions are pending resolution;
- H. place PERFORMING AGENCY on probation. Probation means that PERFORMING AGENCY will be placed on accelerated monitoring for a period not to exceed six months at which time items of noncompliance must be resolved or substantial improvement shown by PERFORMING AGENCY;
- I. conduct accelerated monitoring of PERFORMING AGENCY. Accelerated monitoring means more frequent or more extensive monitoring will be performed by RECEIVING AGENCY than would routinely be accomplished;
- J. require PERFORMING AGENCY to obtain technical or managerial assistance;
- K. disallow requests for reimbursement by disapproving costs or fees submitted for payment or reimbursement by PERFORMING AGENCY;
- L. establish additional prior approvals for expenditure of funds by PERFORMING AGENCY;
- M. require additional, more detailed, financial and/or programmatic reports to be submitted by PERFORMING AGENCY;
- N. demand repayment from PERFORMING AGENCY;
- O. reduce the contract funding amount for failure to achieve or maintain the proposed level of service, to expend funds appropriately and at a rate which will make full use of the award, or to provide services as set out in the contract; and
- P. impose other remedies provided by law.

RECEIVING AGENCY will formally notify PERFORMING AGENCY in writing when a sanction is imposed (with the exception of accelerated monitoring, which may be unannounced), stating the nature of the sanction(s), the reasons for imposing them, the corrective actions which must be taken before they will be removed and the time allowed for completing the corrective actions, and the method, if any, of requesting reconsideration of the sanctions imposed. PERFORMING AGENCY is required to file, within 15 days of receipt of notice, a written response to RECEIVING AGENCY's program/division that sent the notice, acknowledging receipt of such notice and stating how PERFORMING AGENCY will correct the noncompliance or demonstrating in writing that the findings on which the sanctions are based are either invalid or do not warrant the sanction(s). If RECEIVING AGENCY determines that a sanction is warranted, and unless the sanction is subject to review (see Sanction Review Article), RECEIVING AGENCY's decision is final and PERFORMING AGENCY must take corrective action.

In an emergency, RECEIVING AGENCY may immediately terminate or suspend all or part of the contract, temporarily or permanently withhold cash payments, deny contract renewal or future contract awards, or delay contract execution by delivering written notice to a PERFORMING AGENCY, by any verifiable method, stating the reason for the emergency action.

An "emergency" is defined as the following:

- PERFORMING AGENCY is noncompliant and the noncompliance has a direct adverse impact on the public or client health or safety. The direct adverse impact may be programmatic or financial, impacting health or safety by failing to provide services, providing inadequate services, providing unnecessary services, or utilizing resources so that the public or clients do not receive the benefits contemplated by the contract scope of work or performance measures;
- PERFORMING AGENCY fails to achieve a performance measure;
- PERFORMING AGENCY is reimbursed or requesting reimbursement for expenditures which are not in accordance with applicable federal or state laws and regulations or the provisions of the contract; or
- PERFORMING AGENCY is expending funds inappropriately.

Whether PERFORMING AGENCY's conduct or inaction is an emergency shall be determined by RECEIVING AGENCY on a case-by-case basis and shall be based upon the egregious nature of the noncompliance or conduct.

ARTICLE 31. Sanction Review

PERFORMING AGENCY may request a review of the imposition of the following sanctions: termination of all or part of the contract, suspension of all or part of the contract, permanent withholding of cash payments, and denial of contract renewal or future contract awards.

PERFORMING AGENCY must make the request for review in writing to RECEIVING AGENCY within fifteen (15) days from the date of notification by providing written notice of the dispute to the person who signed the notification.

PERFORMING AGENCY's notice shall contain the following: (1) a copy of the letter from RECEIVING AGENCY notifying PERFORMING AGENCY of the sanction; (2) a specific description of each act that is the basis for the dispute; (3) the grounds upon which PERFORMING AGENCY bases the complaint; (4) an identification of the issue or issues to be resolved; (5) a precise statement of the relevant facts; (6) any documentation in support of PERFORMING AGENCY's position; and (7) a statement and authorities in support of PERFORMING AGENCY's position.

Evidence that PERFORMING AGENCY properly notified RECEIVING AGENCY consists of any of the following documents: (1) signature on delivery card; (2) confirmation of a facsimile to the correct telephone number; or (3) signed acknowledgment of delivery.

RECEIVING AGENCY's representative will schedule a meeting or a conference call to attempt to resolve the issues in dispute. If the dispute is resolved, any resolution will be in writing and will be signed by all parties. If the dispute is not resolved, RECEIVING AGENCY's representative will notify PERFORMING AGENCY in writing. RECEIVING AGENCY will appoint a reviewer(s), who will review the information, who may permit or require additional information and who may grant, deny, or modify all relief requested in the written notice of dispute. The reviewer(s)'s decision will be in writing and will contain a discussion of the reason for the decision and the remedial action, if any. The reviewer(s) will send copies of the decision to all parties by any verifiable means. The decision of the reviewer(s) is final and is the final action of RECEIVING AGENCY for purposes of further proceedings.

A state statute or rule or a federal statute, regulation or guideline will prevail over the provisions of this Article unless the statute, rule, regulation or guideline can be read together with the provision or provisions of this Article to give effect to both.

ARTICLE 32. Breach of Contract

Any remedies set out in this contract are in addition to rights and remedies for breach of contract provided by law.

ARTICLE 33. Termination

Each Attachment shall terminate upon the expiration date of the Attachment unless extended by written amendment in accordance with the Amendments Article. Prior to completion of the contract term, all or a part of this contract may be terminated with or without cause as set out below.

A. Termination without cause.

- (1) Either party may terminate this contract with at least 90 days prior written notice to the other party.
- (2) The parties may terminate this contract by mutual agreement.
- (3) Either party may terminate this contract with at least 30 days prior written notice to the other party in the event state and/or federal funding for this contract is terminated, limited, suspended, or withdrawn.
- (4) RECEIVING AGENCY may terminate this contract when, in the sole determination of RECEIVING AGENCY, termination is in the best interest of the State of Texas.

B. Termination for cause.

- (1) Either party may terminate for material breach of contract with at least 30 days written notice to the other party.

- (2) RECEIVING AGENCY may terminate this contract, in whole or in part, for breach of contract or for risky conduct by giving at least 30 days written notice to PERFORMING AGENCY. "Risky conduct" may include one or more of the following:
- (a) A court of competent jurisdiction finds that PERFORMING AGENCY has failed to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction;
 - (b) PERFORMING AGENCY fails to communicate with RECEIVING AGENCY or fails to allow its employees or those of its subrecipients to communicate with RECEIVING AGENCY as necessary to the performance of the contract;
 - (c) PERFORMING AGENCY breaches a standard of confidentiality with respect to the services provided under this contract;
 - (d) RECEIVING AGENCY determines that PERFORMING AGENCY is without the personnel or resources to perform under the contract;
 - (e) RECEIVING AGENCY determines that PERFORMING AGENCY, its agent or another representative offered or gave a gratuity (e.g., an entertainment or gift) to an official or employee of RECEIVING AGENCY for the purpose of obtaining a contract or favorable treatment;
 - (f) PERFORMING AGENCY's management system does not meet the UGMS management standards; or
 - (g) PERFORMING AGENCY appears to be financially unstable. Indicators of financial instability may include one or more of the following:
 - (i) PERFORMING AGENCY fails to make payments;
 - (ii) PERFORMING AGENCY makes an assignment for the benefit of its creditors;
 - (iii) PERFORMING AGENCY admits in writing its inability to pay its debts generally as they become due;
 - (iv) If judgment for the payment of money in excess of \$50,000 (which is not covered by insurance) is rendered by any court or governmental body against PERFORMING AGENCY, and PERFORMING AGENCY does not (a) discharge the judgment or (b) provide for its discharge in accordance with its terms, or (c) procure a stay of execution within 30 days from the date of entry thereof, and within the 30-day period or a longer period during which execution of the judgment shall have been stayed, appeal therefrom and cause the execution thereof to be stayed during such appeal while providing such reserves therefore as may be required under generally accepted accounting principles;
 - (v) A writ or warrant of attachment or any similar process shall be issued by any court against all or any material portion of the property of PERFORMING

AGENCY, and such writ or warrant of attachment or any similar process is not released or bonded within 30 days after its entry;

- (vi) PERFORMING AGENCY is adjudicated bankrupt or insolvent;
- (vii) PERFORMING AGENCY files a case under the Federal Bankruptcy Code or is seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, receivership or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any case or petition against it under any such law;
- (viii) Any property or portion of the property of PERFORMING AGENCY is sequestered by court order and the order remains in effect for more than 30 days after PERFORMING AGENCY obtains knowledge thereof;
- (ix) A petition is filed against PERFORMING AGENCY under any state reorganization, arrangement, insolvency, readjustment of debt, dissolution, liquidation, or receivership law of any jurisdiction, whether now or hereafter in effect, and such petition is not dismissed within 30 days; or
- (x) PERFORMING AGENCY consents to the appointment of a receiver, trustee, or liquidator of PERFORMING AGENCY or of all or any part of its property.

- C. Emergency termination. RECEIVING AGENCY may terminate the contract immediately upon notice to PERFORMING AGENCY in an emergency by any verifiable means. "Emergency" is defined in the Sanctions Article.

Either party may deliver written notice of intent to terminate by any verifiable method. If either party gives notice of its intent to terminate all or a part of this contract, RECEIVING AGENCY and PERFORMING AGENCY will try to resolve any issues related to the anticipated termination in good faith during the notice period. Upon termination of all or part of this contract, RECEIVING AGENCY and PERFORMING AGENCY will be discharged from any further obligation created under the applicable terms of this contract except for the equitable settlement of the respective accrued interests or obligations incurred prior to termination. Termination does not, however, constitute a waiver of any remedies for breach of this contract. In addition, the obligations of PERFORMING AGENCY to retain records and maintain confidentiality of information shall survive this contract.

ARTICLE 34. Void Contract

RECEIVING AGENCY may hold a contract void upon determination that the contract award was obtained fraudulently or was otherwise illegal or invalid from its inception.

ARTICLE 35. Severability

If any provision of this contract is construed to be illegal or invalid, the illegal or invalid provision will be deemed stricken and deleted to the same extent and effect as if never incorporated, but all other provisions will continue.

ARTICLE 36. Survival of Terms

Termination or expiration of this contract for any reason shall not release either party from any liabilities or obligations set forth in this contract that (a) the parties have expressly agreed shall survive any such termination or expiration, or (b) remain to be performed or by their nature would be intended to be applicable following any such termination or expiration.

ARTICLE 37. No Waiver of Sovereign Immunity

THE PARTIES EXPRESSLY AGREE THAT NO PROVISION OF THIS CONTRACT IS IN ANY WAY INTENDED TO CONSTITUTE A WAIVER BY RECEIVING AGENCY OR THE STATE OF TEXAS OF ANY IMMUNITIES FROM SUIT OR FROM LIABILITY THAT RECEIVING AGENCY OR THE STATE OF TEXAS MAY HAVE BY OPERATION OF LAW.

APPENDIX B - TDH EXECUTIVE ORDER 0110
PROTEST OF APPLICATION OR BID DENIAL FOR CLIENT SERVICES CONTRACT

TDH EXECUTIVE ORDER

Order Number:XO-0110

Subject:PROTEST OF APPLICATION OR BID DENIAL FOR CLIENT SERVICES CONTRACT

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- (a) Purpose. The purpose of this policy is to establish the procedure for dispute resolution for any applicant that has responded to a Texas Department of Health (department) solicitation such as a request for proposal [RFP] or a request for application [RFA] for client services.
- (b) Exceptions. A state statute or rule or a federal statute, regulation or guideline will prevail over the provisions of this policy unless the statute, rule, regulation, or guideline can be read together with the provision or provisions of this policy to give effect to both.
- (c) Definitions.
- (1) Client services contracts - Contracts with a subrecipient to carry out a department program to benefit eligible clients. A listing of TDH programs that have client services contracts is maintained in the Grants Management Division.
 - (2) Contract - A legally enforceable agreement by which goods, services, property, or property rights are to be provided in return for consideration.
 - (3) Financial services - The department office responsible for the function of assessing provider compliance with the financial requirements under a contract.
 - (4) Representative - Person designated by a program or by the appropriate financial services office to negotiate with an applicant to resolve a dispute.
 - (5) Reviewer(s) - A person designated by the Associate Commissioner of the Associateship that issued the solicitation, the Associate Commissioner for Human Resources and Support, and the Associate Commissioner for Information Resources and Business Management, or three persons, one appointed by each Associate Commissioner, who review information and reach a decision concerning intended action. Any questions during this process may be directed to the Office of General Counsel.
 - (6) Subrecipient - Any person, agency or establishment, government department, or nonprofit organization that receives federal or state assistance to carry out a program through a primary recipient such as a state or local government, or other subrecipient, but does not include an individual that is a beneficiary of such a program. A sub-recipient may also be a direct recipient of federal assistance under other agreements or programs. Distinguishing characteristics of a subrecipient include determining eligibility for assistance, measuring performance against meeting the objectives of the program, programmatic decision-making, and conforming with applicable program compliance requirements. Subrecipient is synonymous with subcontractor.
- (d) Request for Review. An applicant may request review of a department action that denies the award of a contract for client services to the applicant.
- (1) Notice of Dispute.

- (A) An applicant may dispute the denial by giving notice of the dispute in writing to the addressee to whom the original application was made. This notice may be faxed.
- (B) The department must receive the notice of dispute no later than the close of business three (3) working days after the date the applicant knows or should have known of the action the applicant is disputing.
- (C) The notice is the basis for all further action and should contain the following information:
 - (i) a copy of the letter from the department notifying the applicant of the action;
 - (ii) an identification of the issue or issues to be resolved.
 - (iii) a precise statement of the relevant facts;
 - (iv) a statement or argument in support of the action or actions requested; and
 - (v) any documentation of the applicant's position.

(2) Dispute Resolution Procedures.

- (A) The representative will schedule a meeting or conference call to attempt to resolve the issues in dispute.
- (B) The representative will give written notice of resolution of the dispute to the bureau chief or division director, as appropriate, of the department office that issued the solicitation.
- (C) Any resolution will be reduced to writing and will be acknowledged by both applicant and representative.
- (D) If the dispute was not resolved, the program representative will notify in writing the other party and the bureau chief or the division director, as appropriate, of the department office that issued the solicitation that the dispute has not been resolved or that the resolution cannot be satisfactorily reduced to writing.
 - (i) The bureau chief or division director, as appropriate, of the department office will contact the three associate commissioners, who will appoint a reviewer(s).
 - (ii) The bureau chief or division director, as appropriate, will forward the applicant's notice and the response of the representative to the reviewer(s).
 - (iii) If the reviewer(s) determine that additional information is necessary or desirable, the reviewer(s) may permit or require additional information.
 - (iv) The reviewer(s) may grant, deny, or modify all relief requested in the request for dispute resolution.
 - (v) The reviewer(s)'s decision will be in writing and will contain a discussion of the reason for the decision and the remedial action, if any.
 - (vi) The reviewer(s) will send copies of the decision to the applicant, the representative, and any other interested parties when the decision has been reduced to writing. The decision may be faxed.
 - (vii) The decision of the reviewer(s) is final.

ISSUED BY: William R. Archer, M.D.
Commissioner of Health

DATE: March 24, 2000

REVIEW/REVISION DATES:
